

Trade Deficit Expands as Mexico Crisis Takes Its Toll

Analysts Say Wide Gap Is Likely to Remain a Drag on U.S. Economy

By Lawrence Malkin
International Herald Tribune

NEW YORK — The U.S. trade deficit veered more deeply into the red as imports hit a record high in January and Mexico's financial crisis suddenly cut its appetite for exports from the United States, the government said Wednesday.

Rising deficits with China and Europe also helped widen January's deficit in goods and services 68 percent, to \$12.2 billion, from December.

The deficit, which reflects the first trade fallout from the financial crisis in Mexico, was worse than most analysts had expected, and it appears likely to remain a drag on the economy for months.

This will pose the problem of how the United States will finance its deficit without raising interest rates to attract foreign money.

The dollar slumped against other major currencies after the Commerce Department report because a large trade gap puts the dollar into the hands of foreign exporters, who sell them for their own currencies when repatriating revenue.

Last autumn, enough capital to cover about two months worth of deficits of January's size may have left Latin America itself in fright over the looming Mexican crisis, said Roseanne M. Cahn, chief economist of CS First Boston. Little more such capital now can be left south of the border to keep supporting the Treasury bond markets, which she said were "living on Prozac" by ignoring the foreign inflows that recently helped bring down Treasury bond rates.

In January, trade with Mexico shifted in just one month to a deficit of \$863 million from a surplus of \$19 million. This shift is expected to continue and deepen as Mexico tightens its belt to pay back its debts by increasing its exports to its largest customer, the United States.

Last year Mexico was the most ebullient U.S. customer. Exports to Mexico grew 22 percent, accounting for about half the 10 percent growth in total U.S. exports. This year, Ms. Cahn said, the fall of the peso will cut U.S. exports to Mexico by about 20 percent, widening her original estimate of the 1995 U.S. trade deficit to \$198 billion from \$166 billion.

But not all the figures are likely to look as gloomy as they did in January. While the trade gap with Europe doubled to \$1.3 billion from \$532 million, this is most

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SPACE RECORD — The Russian cosmonaut Valeri Polyakov toasting return to Earth on Wednesday after landing in Kazakhstan. He broke the endurance record of one year in space when he spent his 366th day in orbit on Jan. 9.

EU Does About-Face on Television Quotas

Commission Votes to Protect and Spur European Production

By Tom Buerkle
International Herald Tribune

BRUSSELS — In a stunning reversal for French-led efforts to defend European popular culture from Hollywood's onslaught, the European Commission proposed Wednesday to tighten quotas on television programming for 10 years.

The proposal by the EU culture commissioner, Mariolino Oreja, would create a legally binding quota from the commission's political commitment to ensure that at least 51 percent of the films and programs shown on Europe's television channels originate in Europe.

Mr. Oreja also promised to put forward

within two weeks a package of incentives to spur European production, and hinted that it could include a tax on telecommunications companies, which was suggested recently by his commission colleague Edith Cresson.

"These are weak industries that need strengthening," Mr. Oreja said.

The decision came just five weeks after culture ministers from the 15 European Union member states rejected a similar idea at a meeting in Bordeaux, France. EU officials predicted strong opposition from Germany, Britain, the Netherlands and Denmark when culture ministers debate the plan in Luxembourg on April 3.

"The general position has not and will

not change," an official at the Foreign Ministry in Bonn said of Germany's opposition to enforced quotas.

"In Bordeaux we were not of the opinion that we would go in this direction," said the official, who spoke on condition of anonymity. "I don't see what has changed since then."

The United States, whose dispute with Europe over film and television policy nearly blocked a global trade agreement in 1993, criticized the proposal as a violation of the principle of open access endorsed last month by a Group of Seven confer-

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Poison Gas Dragnet Targets Secret Cult

Japanese Raids Turn Up Chemicals; Leader Asserts It's 'Time for Death'

By Nicholas D. Kristof
New York Times Service

TOKYO — The police raided a religious sect's training compound Wednesday, freeing captives and turning up equipment to make poison gas, gas masks and about two tons of chemicals, including some that appeared similar to those used in the nerve gas attack on the Tokyo subway system.

Some 2,500 police officers raided 25 facilities of the cult around the country. Scenes of the raids were broadcast live on television for hours.

At the training compound, in a placid village at the foot of Mount Fuji, police confiscated truckloads of chemicals and discovered a group of people who police said were being held against their will without adequate food and water.

The police also seized \$7.9 million in cash and 10 kilograms (22 pounds) of gold at sites linked to the sect. The Associated Press reported.

The leaders of the cult, known as Aum Shinrikyo, or The Supreme Truth, have vanished. They may have been in a convoy of limousines that was seen on Tuesday fleeing the group's headquarters at speeds of almost 100 miles per hour, heading for Tokyo.

"At last the time has come for death," the group's leader said in a recording released after his disappearance. But he did not make it clear if he meant his death or other people's, and a newly discovered magazine the group was preparing for publication predicts poison gas attacks or other calamities that would kill 90 percent of the residents of major Japanese cities.

The raid on the training ground turned up more than 50 people, most of all of them apparently members of the sect, lying together in a room. All were malnourished and many were so weak that they were barely conscious.

Six of the people were taken by ambulances to a hospital, where doctors said they were severely undernourished and dehydrated.

The local police, in Yamanashi Prefecture, said that the six were not the worst off but were simply the ones who accepted medical treatment. The remaining ones refused treatment and declined to cooperate with the authorities, suggesting that they were fasting voluntarily.

The police arrested four cult members for illegally detaining the six people taken to a hospital. Three of the four were doctors and the fourth refused to identify himself, but it was unclear why doctors were supervising. It was also uncertain whether the six were dissident members of the sect, had tried to escape or were simply fasters who lost their will.

Koji Endo, a taxi driver who said he often took people to the sect's training

compound, said that many of them were not committed members but rather young people who had been invited to visit the facility for a week or two to make up their own minds about the group. "I don't know what happened to them later," Mr. Endo said.

The Russian branch of the sect has a regular program on a Russian radio station, and in a broadcast early this morning it played a tape recorded by the cult's leader, Shoko Asahara, in which he warned that "the time for awakening" and "the time for death" had come. Many of Mr. Asahara's comments were cryptic, but he also emphasized that his followers should not fear death and should be ready to die without regret.

Among the chemicals found at the site were bottles labeled acetonitrile, which can be used as a solvent to dilute sarin. Acetonitrile was found in the residue after the Monday morning rush hour attack on five subway trains, in which containers of sarin killed 10 people and injured 5,500.

The police also wheeled out dozens of blue metal drums that were labeled ethyl alcohol. While ethyl alcohol has many uses and would not normally be used in making sarin, it is used to make tahou, another kind of nerve gas.

The sect has denied that it ever used sarin, suggesting that the government staged the subway attack to frame it. But sect members declined to speak to reporters today and would not explain the presence of the chemical stockpile.

A Russian-made helicopter and a Russian-made poison gas detector were found in the training compound.

There has been speculation in Japan that some sarin might have been brought in from Russia, where it had been stockpiled in various locations and might have reached the black market.

Buildings owned by Aum Shinrikyo had previously emitted noxious fumes, and last year scientists discovered a byproduct of

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'Software Spirit' Lands Manager Top Job at Sony

By Andrew Pollack
New York Times Service

TOKYO — Sony Corp. reached well down into its management ranks Wednesday and named a dark-horse candidate to be its next president, a choice the company said reaffirmed Sony's commitment to its troubled movie business.

Nohuyuki Idei, a jack-of-all-trades who is the managing director in charge of corporate communications, will shape Sony's course as it enters an era in which it will be without the guidance of its visionary founder, Akio Morita, who retired as chairman last November after suffering a stroke a year earlier.

The management transition comes at a critical time for Sony. The company suffered \$3.2 billion in write-offs and losses in its movie business last November because of cost overruns, management turmoil and box-office flops. Its core consumer electronics business faces the grim prospect of shrinking profit margins, a trend that will be made worse by the soaring Japanese yen. And some people inside and outside the company say Sony has lost the flair that made it the electronics industry's leading innovator.

Mr. Idei, 57, will replace Norio Ohga, who has been president for 13 years, most of the time sharing power with Mr. Morita, and who was scheduled to step down this year because he turned 65 in January.

Mr. Ohga, who engineered Sony's purchases of CBS Records and Columbia Pictures in the late 1980s, will move up to chairman. But he will retain the title of chief executive officer, suggesting no dramatic changes in company policy are likely in the near future.

To get to the presidency, Mr. Idei vaulted over two levels of management and at least 10 more senior executives.

Mr. Ohga, at a news conference here, said he made his choice because Mr. Idei would be able to run Sony's newer software businesses while also having a good understanding of hardware technology despite not being an engineer.

"I really feel that Mr. Idei has that software spirit," Mr. Ohga said. "There are a number of people who can operate a hardware business. But someone who can operate a software business and raise the morale there, that is something that not everyone can do."

Mr. Idei said he saw his main challenge as preparing Sony for the age when audio and video products would be digital and Sony would face competition from computer companies as well as its traditional consumer electronics rivals.

"We are facing harsh and difficult times," he said.

Most outsiders had thought the new president would be Minoru Morita, a fast-rising engineer who heads the company's consumer electronics business. There is

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AGENDA

Christopher Cites Strains With Russia

GENEVA (WP) — Secretary of State Warren M. Christopher warned Wednesday that Russia's integration into the West is endangered by Moscow's assault on Chechnya and pending sale of nuclear reactors to Iran.

However, Mr. Christopher stopped short of rhetorically putting bilateral relations at risk. The link between the countries is "too important to be hostage to any single issue," he said.

Mr. Christopher is here to meet with the Russian foreign minister, Andrei V. Kozhevnikov, to prepare for a May summit meeting between President Bill Clinton and President Boris N. Yeltsin.

Mr. Clinton's decision to go to Moscow buttresses Mr. Yeltsin at a time when the Russian leader is under criticism for the harsh crackdown on separatist Chechnya.

Mr. Clinton is under sharp attack from Republicans for showing political support for Mr. Yeltsin, when Chechnya remains unsettled and the Russians are insisting that the reactor sale will go forward.

The sale is viewed as an aid to the Islamic state in developing nuclear weapons, something the administration is pledged to deter.

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Business Minutes in the Nordic Countries

'Ruined,' Tapie Awaits His Sentencing

By Barry James
International Herald Tribune

Seemingly shocked, smattering and occasionally holding his head in his hands, the once powerful Socialist politician Bernard Tapie said Wednesday he had been "ruined" by his trial on charges that he tried to buy a key soccer match and suborn witnesses.

Mr. Tapie, who said his professional and private life had fallen into an abyss, faced additional grave charges after another court decided he should stand trial for tax evasion and fraud relating to the operation of his oceangoing yacht.

"This affair has finished me, ruined me and left me in a financial and professional situation called oblivion," Mr. Tapie said on the final day of the soccer scandal trial at Valenciennes, in northern France.

He said he would have preferred to have spent time in jail than go through what he had suffered in the two-year investigation, which coincided with the collapse of his political hopes and his financial empire.

"You have punished me so much that I did not think you would ask for anything more," said Mr. Tapie, whose swaggering appearance and confident style on the nation's television screens gave way to a nervous stammering as the trial ended.

But later, he shook hands with the prose-

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Bernard Tapie arriving Wednesday at his court trial in Valenciennes, France.

Slovakia's Nuclear Option: Echoes of East-West Rift

By Christine Spolar
Washington Post Service

LEVICE, Slovakia — Across the flat brown countryside of Slovakia, what seems to be a fine fog softens the outlines of bulking concrete silos at the nearly finished Mochovce nuclear plant.

But one breath of the throat-catching mist — an airborne soup made of coal fumes and gasoline exhaust — makes clear why Slovakia is lobbying to complete the mothballed plant and start producing electricity without air pollution.

But Mochovce, a 12-year-old Slovak ambition bedeviled by poor planning, meager technology and the fall of Commu-

nism, has become the latest, and most public, forum for the debate over what to do with two dozen nuclear plants of Soviet design awaiting completion in Central and Eastern Europe and Russia.

A vote on whether to upgrade the plant with a \$280 million loan from the European Bank for Reconstruction and Development, the largest in the multinational bank's four-year history, is scheduled to take place next week.

[Slovakia has asked the bank to delay its decision, a bank official said Wednesday. Agence France-Presse reported from London. Prime Minister Vladimir Meciar has asked that his decision be deferred until the bank's general assembly next month, the official said.]

The looming vote has focused attention on Mochovce and similar plants where the desire to acquire cheap, clean power is pitted against the fear of contamination from outmoded and ill-conceived nuclear technology.

What will happen is anyone's guess, with opposition by neighboring Austria and environmentalists on both sides of the Atlantic, who fear that Western upgrades will be an uneasy mix with Soviet technology.

"There is concern about the specifics of Mochovce but there are also concerns about what it means for other half-finished plants," said Philip Weller, an organizer for Global 2000, an Austrian environmental group that protested Wednesday out-

side the European Bank's London offices.

"And then there's another question," he added. "Why are much-needed Western finances going to Eastern Europe to promote energy sources that we don't want in the West?"

Chernobyl, the Ukraine reactor that spewed radioactive gases across Europe in 1986 and remains in use, is the reference point among those who argue against restarting projects like Mochovce, a 90-minute drive east of Bratislava, the Slovak capital.

Substandard Soviet design and construction, compounded by years of neglect,

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Dow Jones	Trib Index
Up 10.38	Down 0.05%
4082.99	111.69

The Dollar	Wid. close	previous close
New York	1.4033	1.4123
DM	1.5885	1.586
Pound	89.02	89.20
Yen	4.969	4.994

Lebanon.....	USS 1.50	U.S. Mail (.....)
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Testing South Africa's Democracy/Turmoil in a Homeland

Zulu Chief Still Has a Flair for Brinkmanship

By Paul Taylor
Washington Post Service

NQUTSHINI, South Africa — A year ago, South Africa's wildest ethnic politician, the Zulu chief Mangosuthu Buthelezi, seemed to be hurtling toward oblivion.

He was boycotting the nation's first universal suffrage election, brooding over the demise of his apartheid-era Zulu homeland, warning of civil war and fending off flak from detractors the world over, who saw him as the skunk at South Africa's democratic tea party.

Since then, at least on paper, his fortunes have sunk even lower. He entered the election process late, only to have his Inkatha Freedom Party come in a distant third. His nephew, the Zulu King Goodwill Zwelithini, seized on the landslide victory by Inkatha's arch-rival, the African National Congress, to try to liberate himself from his domineering uncle.

Meanwhile, testimony has been pouring out of a Durban courtroom that links two of Chief Buthelezi's senior lieutenants to provincial police death squads that carried out assassinations during Inkatha's decade-long power struggle with the ANC.

So then, Chief Buthelezi is history?

On the contrary, he seems to be riding higher than ever among tribal chiefs and villagers here in the province of KwaZulu-Natal. "Of course I support my king," said Robert Zondi, an *induna*, or tribal leader, in Nqutshini village, "but I support Chief Buthelezi as well. He is my political leader."

And what a busy leader Chief Buthelezi has been. In the past few weeks he has staged a parliamentary walkout, threatened another and issued an ultimatum to the king designed to force him back under his wing.

In all these moves, he has enjoyed the support of the overwhelming majority of the Zulus' 300 *amakhosi*, or traditional chiefs, who lord over everything from pensions to land rights to traditional law throughout Zulu lands. Not incidentally, the salaries of these chiefs are still controlled by Chief Buthelezi's Inkatha Freedom Party, which was humbled in the nationwide vote last April but won the KwaZulu-Natal provincial election.

Mr. Buthelezi's brinkmanship is aimed at securing his position as the undisputed leader of a virtually autonomous KwaZulu-Natal, which is home to about a fifth of all South Africans, most of its Zulus and nearly all the political violence that continues to plague the country, though on a smaller scale than before the election.

WITH his blend of bluster, intimidation, patronage and movie, Chief Buthelezi has shown that even in the new South Africa — supposedly sanitized of the institutionalized politics of race and ethnicity — the tribal card still plays well among traditional Zulus, the country's largest ethnic group.

"Zulus are a people whose history is very much with us," said Sibongile Zungu, a tribal chief. "We can never accept South Africa belonging to anyone else."

Some fear Chief Buthelezi's confrontational tactics could devolve into civil war, secession and/or dethronement of the Zulu king. The more likely scenario is that the politics of the Zulu province will remain tense and bloody but not apocalyptic.

Secession is not a realistic option. Mr. Buthelezi has no army, heavy arms or outside benefactors. His province depends on the central government for economic viability. And while he can probably reassert control over his wayward nephew, he cannot replace him; the job is hereditary.



Chief Buthelezi, still a major factor on the turbulent political scene.

The current standoff between the Zulu monarch and the Zulu political chief is filled with ironies. For years, the ANC thought the way to neutralize Chief Buthelezi was to separate him from the king. This they achieved just days after the election, when the ANC government assigned a new palace guard for the king, who is reputed to have feared for his life under Chief Buthelezi's watch.

A public falling-out between King Zwelithini and Chief Buthelezi followed. It came to a spectacular head when Chief Buthelezi barged into a television studio during a live nationwide interview program last year and got into a shouting and shoving match with the king's new spokesman, Prince Sifiso Zulu. Modern, Westernized South Africans were appalled. Chief Buthelezi's supporters were not.

"His support base is rural and quite often illiterate," said Mervyn Frost, a professor at the University of Natal. "They respond to flamboyant politics. They love the brave stalwart standing up to the Goliath."

"Buthelezi's conflict was ostensibly with the king but he has made sure everyone understands it is really with the ANC," Professor Frost said. "And what the ANC has discovered is that they may have gotten the king but none of his followers."

Most Zulus remain loyal to both Chief Buthelezi and the king, and are eager for a reconciliation. But Chief Buthelezi says the king will remain in "spiritual exile" from his own people as long as he keeps siding with the ANC in its long-standing dispute with Inkatha over how much power the new South African constitution should vest in provinces. Inkatha wants regional autonomy; the ANC prefers a strong central government.

This issue was at the heart of Inkatha's initial election boycott last year. Chief Buthelezi finally agreed to take part on condition that the dispute would be submitted to international mediation after the vote.

The ANC so far has not made good on that pledge; it says the matter is better handled

internally. Inkatha, crying foul, staged a two-week parliamentary walkout last month and is threatening another next month. If it does not get mediation, it says, it will boycott local elections scheduled for Nov. 1.

Political violence is currently taking about 80 lives a month in KwaZulu-Natal and would surely rise if there is an election that Inkatha boycotts. In most of KwaZulu-Natal, the election machinery is effectively controlled by tribal authorities. "How can they hold an election without us?" asked the Inkatha secretary-general, Ziba Jiyane.

Last week, Chief Buthelezi declared that the king has two months to call an *imbizo* — a gathering of the Zulu nation — to resolve the matters that divide them. "A deadline for the king?" remarked Mr. Zondi, indicating the very idea was preposterous. "He's the king."

But Prince Sifiso, the king's spokesman, said the king believed Chief Buthelezi was laying the groundwork to dethrone him, using his position as head of the Zulu House of Traditional Leaders, which the Inkatha-controlled provincial assembly created four months ago. The king has gone to court, claiming the new House is unconstitutional.

Amid the legal and political wrangling, there is also the soap opera of the royal family. The king has five wives; Chief Buthelezi is said to have the loyalty of one or two of them, and for a time seemed to have won over the second wife's eldest son, who is first in line for the throne. But last week the son pledged his loyalty to King Zwelithini.

BEHIND all this intrigue, there are two bottom lines. One is money. The central government provides for the palace budget of the king, while the Inkatha-controlled provincial government pays the salaries of the tribal chiefs, and has given them 50 percent raises since the election.

The other bottom line is violence and intimidation. It stems from the days when KwaZulu was one of 10 black homelands created by the white-minority national government. Chief Buthelezi was its leader, ANC-aligned youths were agitating for its overthrow, and Chief Buthelezi's police had a reputation for eliminating political enemies.

For the past two weeks, a convicted former member of the KwaZulu police, Romeo Mbambo, has been telling a Durban court that two of Chief Buthelezi's key advisers, the KwaZulu-Natal safety and security minister, Celani Mterwa, and the welfare minister, Gideon Zulu, were the masterminds behind police death squad activities.

Chief Buthelezi and Mr. Jiyane dismiss the allegations as part of a smear campaign. They claim the ANC has executed hundreds of Inkatha leaders over the past decade, all the while hiding behind President Nelson Mandela's benign facade to present themselves as angels to the outside world. "We are victims of a double standard," says Mr. Jiyane.

WHAT no one disputes is that political violence remains a fact of life in this province, although it has all but disappeared from the rest of South Africa.

In this village, the tribal and political machinery is controlled by Inkatha, and all ANC supporters were driven out several years ago. After the election, many wanted to return. In some cases, ANC-leaning sons sought to be reunited with their Inkatha-leaning parents.

"But when they tried to come back, they were attacked in the middle of the night," said Mr. Zondi, who says he tries to stay above politics. "I want to arrange peace meetings, but the politicians do not seem interested. They get more recruits when there is more violence."

Turk Commandos Seek Out Rebels

Iraqi Protesters Raid, but Troops May Stay in Area for Weeks

By Chris Hedges
New York Times Service

ANKARA — The Turkish Army, which Wednesday pursued its attacks on Kurdish rebels in a huge region of northern Iraq, will probably keep its forces in the area for weeks, Western diplomats said.

The Turkish Army has landed groups of commandos deep inside northern Iraq in an effort to trap fleeing guerrillas of the Kurdish Workers Party, or PKK.

The army, on the third day of the operation, has penetrated 40 kilometers (25 miles) into Iraq along a 240-kilometer front. Military officials said the army had killed 200 rebel fighters since Monday and uncovered numerous arms caches. The PKK's estimated 2,400 guerrillas have long mounted cross-border raids into Turkey from their bases in northern Iraq.

But Western diplomats said it was unclear if all of the 200 dead were guerrillas. And there is growing concern among NATO governments that are linked with Turkey in the Western alliance over the massive operation.

Britain and Germany have cautioned Turkey to practice restraint. And Foreign Minister Alain Juppé of France, who is to arrive in Turkey on Thursday, has called the incursion a violation of international law.

U.S. Defense Secretary William J. Perry, visiting Bahrain, called on the Turkish government not to harm the civilian population and to quit northern Iraq as soon as the mission is accomplished.

The Iraqi government has denounced the Turkish incursion as a violation of Iraqi sovereignty.

"The Turks do not always distinguish between refugees and fighters," said one European diplomat, "but we hope that this time they are being more prudent. We also hope they know that any buffer zone will be unacceptable. We understand that they probably intend to remain for a few weeks, but they must eventually leave all of northern Iraq."

United Nations officials,

who provide relief assistance to both the Iraqi and Turkish Kurds that live in the north, said the troops may have driven some of the 13,000 Kurdish refugees who fled from Turkey back across the border.

"We are very much concerned because the troops are definitely in areas where we have resettled the refugees," said Viktor Wahlroos, the deputy UN coordinator in Baghdad. The Turkish prime minister, Tansu Ciller, has vowed to wipe out the Kurdish separatist movements through the invasion.

"We are determined that, in this final operation, the job will definitely be done," the prime minister said in a meeting Thursday with her party's members of Parliament. She also vowed that civilians would not be harmed.

Turkish officials insist that they have taken numerous measures to avoid civilian casualties. Colonel Dogu Silabioglu, the spokesman for the Turkish general staff, dismissed the reports of detentions or harassment of refugees as "terrorist propaganda."

"The armed forces have strict orders that civilians must not be harmed," said a Foreign Ministry spokesman, Ferhat Ataman.

The Turks have unleashed sorties by F-16 and F-5 fighter planes against suspected rebel targets. But Western diplomats, who are following the incursion, say the bombing runs appear to be far less than those that accompanied the last major incursion in 1992, when several civilians were killed.

Most of northern Iraq is under the control of the Iraqi Kurdish guerrillas, who live in a safe haven monitored by coalition forces since the end of the Gulf War. American, French and British warplanes patrol a no-fly zone in the north. Iraqi forces have withdrawn from the area.

The guerrilla war in southeastern Turkey, which began in 1984, has killed an estimated 15,000 people. And Turkish authorities contend that the rebel movement was planning to mount an offensive to coincide with the Kurdish New Year, Nowruz, traditionally a time of Kurdish protest.

Corrections

The name of a source in an article about sarin gas that appeared in editions Tuesday was wrong. It is Kyle Olson, executive vice president of the Chemical and Biological Arms Control Institute in Washington.

In Wednesday's editions, a name was reversed in the caption of a photograph showing Polish architects. The name should have been Anna Bialkowska.

Winnie Mandela Wins Ruling
Judge Dismisses Warrant to Raid Her Home

Compiled by Our Staff From Associated Press

JOHANNESBURG — A South African court on Wednesday overturned search warrants that had allowed the police to raid the home and offices of President Nelson Mandela's estranged wife, Winnie.

Ordering the warrants overturned and the return of documents seized in raids by detectives three weeks ago, Judge Piet E. Streicher ruled that the magistrate who issued the warrants had insufficient grounds to do so.

One Killed as Robbers Flee

Agence France-Press

PARIS — Two robbers armed with Uzzi submachine guns killed a motorist whose car they stole to make a getaway Wednesday, after attempting to hold up a Brinks security van. The occupants of the van were taken hostage as the two men fled from the bungled hold-up outside a Crédit Lyonnais bank in northern Paris, police said.

"The conclusion drawn in issuing the warrants was so devoid of factual content that one can only conclude the issuing magistrate did not properly consider the matter," Judge Streicher told the Rand Supreme Court.

"The issuing magistrate did not appreciate that he needed reasonable grounds to issue a warrant," he added.

He also ordered that the state pay all court costs.

Mrs. Mandela was in West Africa when the police, investigating allegations of fraud and corruption linked to a building firm in which she had financial interests, raided her offices and Soweto mansion last month.

Mrs. Mandela made no comment to waiting reporters after the judge rejected the search warrants. But she raised her right fist in triumph when dozens of supporters chanted her name as she left the courthouse and her lawyer's office following the hearing.

The police had accused Mrs. Mandela — the deputy minister of arts, culture, science and technology in her husband's national unity government — of accepting bribes and kickbacks in return for her influence as a minister in securing government contracts.

Materials taken from the company's offices and other places raided by the police were unaffected by the court decision and remained in police custody.

No charges have been filed against Mrs. Mandela, who has denied the accusations and claimed that unknown forces were trying to discredit her.

Recent events, such as her public criticism of the government and an unauthorized trip abroad, have led to speculation that her husband would fire her from the government. But Mr. Mandela has yet to act on a report compiled by Deputy President Thabo Mbeki, which he said would serve as the basis of his decision. (Reuters, AP)



DIAMOND DEMAND — Queen Elizabeth II was asked Wednesday to return the Great Star of Africa, given to Edward VII in 1907.

A Mixed-Up Pilot Lands at the Wrong Airport

Agence France-Press

TAIPEI — A foreign pilot flying a Taiwanese airliner got his schedules mixed up and flew the plane to the wrong airport, scaring passengers aboard, it was reported Wednesday.

The Great China Airlines plane was scheduled to fly Tuesday from the southern city of Chiayi to Taipei, but landed at

Making on the offshore island of Penghu, the reports said.

Passengers feared the airplane had developed mechanical trouble, they said.

Actually, the plane's Canadian pilot had taken the wrong schedule table, ignored the Taiwanese co-pilot who tried to correct him and insisted on going his way, the

Broadcasting Corporation of China said Wednesday, quoting the airline's president, Shih Chung-ching.

Mr. Shih said the pilot would be grounded and the schedule table simplified to "avoid unnecessary misunderstanding."

The China Times newspaper said the plane later flew to Taipei.

TRAVEL UPDATE

Niger Battles Epidemic of Meningitis

NIAMEY, Niger (Reuters) — A particularly virulent strain of meningitis that is ravaging parts of Africa's Sahel region has killed more than 1,200 people, many of them children, health officials and aid workers say.

The disease, which is common in the dry season on the fringes of the Sahara desert, has reached epidemic proportions in Niger. Niger's Health Ministry said Wednesday that it had registered 10,308 cases and 1,021 deaths since the epidemic broke out in November. Limited medical facilities in many areas mean the true death toll may be higher, aid workers say.

Ground staff employed by the SAS airline in Denmark have warned that they plan to strike on April 1 because pay talks have

broken down, SAS said Wednesday in Copenhagen. (AFP)

A third wave of strikes has been set for March 28-30 by unions representing most workers at France's Air Inter. They intend to protest plans to cut jobs, the company said Wednesday. (Reuters)

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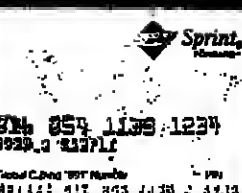
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THE AMERICAS

Candidates Warn on Republican Backsliding

By Dan Balz and Ruth Marcus
Washington Post Service

WASHINGTON — Two Republican presidential candidates have warned their party colleagues in Congress against backsliding on key elements of the "Contract With America" and said they did not fear the expected entry of Governor Pete Wilson of California into the 1996 nomination fight.

Mr. Wilson plans to announce Thursday in Los Angeles that he is forming a presidential exploratory committee. Aides said his formal entry into the race would come later in the spring. He will establish the committee just before taking a trip east that will include at least two fund-raising events to help retire a \$1 million debt left over from his re-election campaign last fall.

He had pledged during that campaign that he would serve out the full four years of his term, but he has been under pressure to join the 1996 race and has spent the last month in intensive examination of his chances.

But Senator Phil Gramm of Texas, and Lamar Alexander, the former governor of Tennessee, played down the impact of his candidacy on their own.

"I personally do not see Pete Wilson's entry into the campaign having much effect on me," Mr. Gramm said at the National Press Club. "I hope and believe that I'm going to win and, therefore, by definition, I have concluded that Pete Wilson probably is not going to win."

Mr. Alexander called Mr. Wilson a "formidable figure" in the party, but said his own record in Tennessee would stack up well against Mr. Wilson's record in California.

Mr. Alexander and Mr. Gramm expressed more concern about developments in Congress.

Mr. Gramm lashed out at some of his Republican colleagues on the Senate Finance Committee, who after a week-end retreat with committee Democrats said the proposed tax cuts for the House may be incompatible with House efforts to cut the budget deficit.

"Let me assure you that tax cuts are in order in the Republican Senate," Mr. Gramm said. "The United States Senate is not going to become a black hole for the 'Contract With America.'"

Asked whether he believed Bob Dole, the Senate majority leader, would allow that to happen, he said, "He's got to answer for himself."

Mr. Alexander, in a press conference, said Republicans should not be influenced by a Washington Post-ABC News Poll suggesting that most Americans think the new Congress may be going too far too fast.

"I think just the reverse," he said. "The greatest danger facing the Republican Congress is that it would be too timid."

Mr. Alexander pointed to the Senate's rejection of the balanced budget amendment to the constitution and to the erosion in support for term limits, deploring that the terms of service have gotten "longer and longer." He also said the Republican welfare plan imposes requirements on states rather than transferring full authority to them.

Republicans Move to Tear Apart Welfare System

By Robert Pear
New York Times Service

WASHINGTON — The House of Representatives has taken up sweeping legislation that would dismantle many elements of the social welfare systems put in place by the federal government over the past 60 years.

Based on the hysterical cries of those who seek to defend the failed welfare state, you would have thought Republicans were eliminating welfare in its entirety," said Representative Bill Archer of Texas, chairman of the Ways and Means Committee.

Mr. Archer, declaring that "the Republican welfare revolution is at hand," said the Republican bill sought "the broadest overhaul of welfare ever proposed."

For their part, Democrats acknowledged that their substitute measure had little chance of passing, but they

predicted that they would make political gains by attacking the Republicans as cruel to children.

The Congressional Budget Office said this week that the Republican bill would cut \$69 billion, or 6 percent, from projected spending of \$1.1 trillion on welfare, food assistance, child care, Medicaid and other programs over five years.

The cuts appear larger — about 11 percent of projected spending — if Medicaid is omitted from the calculations, as Democrats say it should be. The bill makes minor changes in Medicaid, the health program for low-income people.

The outlook for the bill in the Senate is murky. Senators of both parties have expressed doubts about the House Republican plan to give each state a lump sum of federal money to help the poor, with few federal stan-

dards or guarantees. Many senators say the federal government must retain more responsibility for the use of federal tax revenue.

Representative Harold L. Volkmer, a Missouri Democrat, attacked the Republican bill as "very mean-spirited, very radical."

The welfare bill, a cornerstone of the Republicans' "Contract With America," would replace several programs, like Aid to Families With Dependent Children and the school lunch program, which guarantee benefits to anyone who meets the eligibility criteria, with direct cash payments to states. The states could then use the money in any way they chose to assist low-income people.

Republicans are still wrestling with the concerns of anti-abortion groups and some Republican lawmakers who say that provisions of the bill would

encourage abortions. Those provisions would prohibit use of federal money to provide cash assistance to children born to unmarried women under 18 or to women of any age already receiving welfare.

House Republican leaders said the ban on cash assistance for those children would probably remain in the House bill. But they said they might accept amendments allowing such families to receive assistance in the form of vouchers, which could be used to buy diapers and clothing for the children.

Representative Bill Goodling, a Pennsylvania Republican, said current welfare programs had "enslaved" the poor. And Representative Gerald R. Solomon, a Republican from New York, asked, "What is compassionate about welfare programs that encourage dependency for two, three or four generations?"

Guest Tells of Talks With Simpson Before Murders

Compiled by Our Staff From Dispatches

LOS ANGELES — O. J. Simpson's former houseguest, Brian (Kato) Kaelin, testified Wednesday that Mr. Simpson told him that his former wife had refused to let him talk to their daughter at a dance recital a few hours before she was murdered.

Mr. Kaelin, who was then living at Mr. Simpson's estate, recounted a conversation with Mr. Simpson after the June 12 recital featuring Sydney Simpson and other children. Nicole Brown Simpson and her friend Ronald L. Goldman were slashed and stabbed to death later that evening.

Mr. Kaelin had testified Tuesday that Mr. Simpson told him only hours before the murders that his relationship with her was over.

His testimony is considered crucial since, as Mr. Simpson's houseguest, he was the last person to see him before the murders and the first to see him afterward.

On Wednesday, Mr. Kaelin said that Mr. Simpson had told him about a conversation with his former wife at the recital.

"He wanted to talk to Sydney, and — I don't think — Nicole wasn't going to give him time to talk to Sydney, and I think they went off somewhere," he said, referring to Mrs. Simpson and her children.

The earlier conversation with Patricia Ann Cochran, the former companion of Johnnie L. Cochran Jr., crying in Los Angeles on Tuesday as she announced she was suing the chief of the Simpson defense team, with whom she has had a child, for cutting off support payments of \$4,000 a month.



Patricia Ann Cochran, the former companion of Johnnie L. Cochran Jr., crying in Los Angeles on Tuesday as she announced she was suing the chief of the Simpson defense team, with whom she has had a child, for cutting off support payments of \$4,000 a month.

Mr. Simpson took place on the afternoon of June 12, 1994, before Mr. Simpson left for Sydney's dance recital. Mr. Kaelin testified Tuesday.

When the chief prosecutor, Marcia Clark, asked Mr. Kaelin

about that conversation, he testified haltingly: "I mean, I was reading the paper and it would come up about just Nicole, that their relationship was over."

Mr. Kaelin said Mr. Simpson told him that his girlfriend,

Paula Barbieri, was upset because she wanted to go to the recital with Mr. Simpson and he wanted to go alone "to make it a family thing."

Prosecutors also outlined a narrow window of opportunity

for the former football star to carry out the double slayings.

Mr. Kaelin said he and Mr. Simpson went out for hamburgers on the evening of June 12, before the killings. Using telephone records, the prosecution was able to show that they returned from dinner by 9:37 P.M., giving Mr. Simpson an opportunity to commit the murders before his late-night flight to Chicago.

The defense was expected to argue that Mr. Simpson was unable to commit the murders because of a lack of time between that outing and the flight.

Mr. Kaelin testified that he met Nicole Brown in late 1992, after she had divorced Mr. Simpson, and had lived in a guest cottage at her home for a year, ending in January of 1994. He then moved to Mr. Simpson's estate, at his suggestion.

Mr. Kaelin said he and Mrs. Simpson were friends but never lovers, and he drew laughter from the courtroom when he was asked if he thought Mr. Simpson might help his acting career.

"I didn't think we were going for the same Paris," Mr. Kaelin said.

The court also released a prosecution motion, which had been filed Tuesday, asking that the jury be permitted to see the autopsy photos of the victims.

(AP, AFP, Reuters)

POLITICAL NOTES

Clinton Signs a 2d 'Contract' Bill

WASHINGTON — In a rare show of bipartisan handiwork, President Bill Clinton signed a second piece of the Republican "Contract With America" into law, requiring Washington to pay for rules its foists on states.

Still opposing most aspects of the House Republican "contract," Mr. Clinton said the so-called unfunded mandates law "shows that Republicans and Democrats can come together and break gridlock." Two months ago, Mr. Clinton signed into law the first "contract" item passed by Congress, requiring lawmakers to abide by the same employment laws as the private sector. The rest of the contract is likely to get a frostier reception at the White House.

The "unfunded mandates" bill requires cost-benefit analyses of any regulations that cost states and localities more than \$50 million a year or businesses more than \$100 million. Congress must pay state and local governments for any costs above \$50 million. (AP)

Renewed Effort to Protect Flag

WASHINGTON — With newfound confidence, some of the staunchest conservatives on Capitol Hill have reintroduced a proposal to amend the constitution to protect the American flag from acts of desecration and said they expected the measure to pass.

A similar effort failed five years ago. Senators Orrin G. Hatch, Republican of Utah, Strom Thurmond, Republican of South Carolina, and Howell Heflin, Democrat of Alabama, said, however, that the atmosphere on Capitol Hill had changed enough since 1990 that such a measure could probably pass. (NYT)

Whitewater Realtor Pleads Guilty

WASHINGTON — The Arkansas real estate salesman who handled the Clintons' land dealings has pleaded guilty to two charges of bankruptcy fraud, giving the Whitewater special counsel a witness with detailed knowledge of the venture.

The man, Chris V. Wade, handled the finances of the failed Whitewater enterprise from its earliest days and worked closely with James B. McDougal, the owner of a failed Arkansas savings and loan who was the Clintons' partner in the Whitewater Development Co.

The Whitewater special counsel, Kenneth W. Starr, is investigating whether Mr. McDougal illegally diverted federally insured money from the Madison Guaranty Savings & Loan Association, which he owned. Madison later collapsed at a cost to taxpayers of more than \$60 million. (NYT)

Federal Buyout Program a Success

WASHINGTON — The gigantic federal job buyout program, which already has cost \$1.9 billion, may be one of the highlights of the Clinton administration.

It has allowed the government to downsize without a reduction in force that would have slashed the number of women and minorities at all grade levels in offices around the country. The reduction in force almost certainly would have cost the taxpayers more — in severance payments, unemployment and chaos in federal agencies — than the maximum \$25,000 voluntary separation incentive payments. In many cases, agencies got rid of executives making well over \$100,000 for a quarter of their annual salary. (WP)

Quote/Unquote

William F. Goodling, Republican of Pennsylvania, chairman of the House Economic and Educational Opportunities Committee, on reducing Republican efforts to reverse decades of social welfare policy: "Generation after generation, we have enslaved these people. Unless we make a change, they will never get an opportunity to achieve the American dream." (WP)

School Prayer: A New Verse

Opponents Agree to Lower Tone of Debate

By Rene Sanchez
Washington Post Service

WASHINGTON — Education Secretary Richard W. Riley and 17 education and religious groups that often are bitter opponents — from the liberal People for the American Way to the National Association of Evangelicals — have vowed to improve the tone of the debate over the role of religion in U.S. public schools.

Leaders of those groups said they hoped that the sight of them standing together would help reduce the growing hostility they said exists in many communities about allowing prayer or other religious activities in school.

"This is good news for public education in America," Mr. Riley said Tuesday at the Freedom Forum in Arlington, Virginia, a nonprofit foundation that sponsored the gathering. "There has been an intensity

surrounding this debate, and at times the results are corrosive and harmful."

He added, "We need to lower our voices."

Although prayer is an especially contentious issue for many public school districts, parents and community leaders also clash on a range of other religious issues — from the content of sex education courses, to the access ministers may have to students, to whether a picture of Jesus can hang on public school property.

Later this year, the new Republican-led Congress is planning to examine proposals to allow some form of prayer in schools and to provide money or tax credits to parents who send their children to religious schools.

Without mentioning any of those issues, Mr. Riley and other education and religious leaders endorsed a set of principles that state, in general terms, that public schools should neither

promote nor inhibit any particular religious expression, and they call for more civil debate.

Still, Forrest Montgomery, a spokesman for the National Association of Evangelicals, which represents more than 50,000 churches nationally, said Tuesday's action could send an important message to feuding communities.

"It's an attempt to find common ground," he said. "The brevity of the statement doesn't mean there isn't wisdom there. There is." He added that both sides needed "to show more understanding and more accommodation."

Other groups who backed the statement include the Christian Coalition, the National Council of Churches, the National School Boards Association and the American Federation of Teachers. Their leaders said that while they have profoundly different views, they recognize the need for more constructive debate.

N.Y. Train Killer Draws 6 Life Terms

The Associated Press

MINEOLA, New York — The man who gunned down six people on a commuter train in 1993 and then cross-examined survivors of the massacre at his trial was sentenced Wednesday to the maximum punishment — six consecutive terms of life in prison.

Colin Ferguson also received

consecutive terms of 8½ years to 25 years in prison on each of 19 counts of attempted murder.

Mr. Ferguson, who acted as his own attorney at the trial, was convicted of killing six people and wounding 19 as he walked down the aisle of a crowded Long Island Rail Road train on Dec. 7, 1993, firing a semi-automatic gun.

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Away From Politics

• Jurors in the New York terrorism trial of a Muslim cleric and 10 others watched a videotape of a practice drive, taken by an informant, through the Lincoln and Holland Tunnels that the government contends the group planned to blow up. The informant, Ezzat Salem, said that the plot's mastermind, Siddig Ibrahim Siddig Ali, made the tape so they could show the other conspirators where to plant bombs. (Reuters)

• A suspect has been arrested in the shooting deaths of two postal employees and two customers during a robbery at a post office in Monclair, New Jersey. The suspect's identity was not released. (AP)

• Two convicted killers who spent nearly 17 years on death row have been executed by injection at the Joliet, Illinois, prison. The convicts are James Free, 41, convicted of murdering an office worker, and Hernandez Williams, 40, who abducted, raped and shot to death a woman he had held prisoner in the trunk of his car for 36 hours. Both killings were in 1978. The executions were the third and fourth in Illinois since the state reinstated the death penalty in 1977. (AP)

• The New York City Council has rejected Mayor Rudolph W. Giuliani's plan to remove the city's 16,300 fire alarm boxes. Mr. Giuliani has championed the removal of the boxes, which have been a feature of New York City streets since the 1870s. The mayor argued that New York was one of the few cities in the nation still using street alarm boxes and that the Fire Department has said that more than 90 percent of the 300,000 alarms called in on the boxes each year prove false. (NYT)

• A cousin of John Cruise, 18, who is charged in the 1993 murder of a British tourist, has testified in Gainesville, Florida, that the teenager had told him he was involved in the attack. (Reuters)

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ASIA

Manila Assails Singapore

Ramos Recalls Envoy Over Maid's Hanging

Compiled by Our Staff From Dispatches

MANILA — President Fidel V. Ramos of the Philippines went on the offensive against Singapore on Wednesday, recalling Manila's ambassador and threatening to cut off diplomatic ties over the execution of a Filipino maid convicted of murder.

Singapore responded by recalling its ambassador for consultations.

The hanging of Flor Contemplacion in Singapore on Friday has sparked nationwide anger here, leading to street protests, calls to boycott Singaporean companies and the burning of the Singaporean flag.

The 42-year-old mother of four, who admitted she killed another Filipino maid and a Singaporean boy in 1991, was deemed by many Filipinos to be innocent of the crimes and hailed by President Ramos as a "heroine."

Diplomats said the crisis was one of the most serious between members of the Association of South East Asian Nations since the six-member alliance was formed 28 years ago.

Although Mr. Ramos and independent analysts said that the rift would not affect the unity of the association, the conflict threatens bilateral ties that were formalized in 1966.

In the first of a series of moves Wednesday, Mr. Ramos

downgraded the Philippine mission in Singapore by recalling Ambassador Alicia Ramos "indefinitely" and replacing her with a chargé d'affaires.

The Foreign Ministry in Singapore responded a few hours later by recalling its ambassador to Manila, Tan Seng Chye, for consultations.

Mr. Ramos, whose appeals for a stay of the execution were rejected, warned at a news conference that if a special commission he had formed to investigate the case found that the maid was unjustly hanged, he would not hesitate to cut off diplomatic relations. The commission will begin hearings Thursday and will submit its findings on April 6.

The president said: "I would like to emphasize that we value our relationship with other countries, yet if this inquiry produces evidence to show Contemplacion has indeed been the victim of injustice from another country, we stand ready to sever our relationship with that country."

But Mr. Ramos said Filipinos must be ready to swallow their words if the inquiry established the maid's guilt.

"If on the other hand, the facts bear out another verdict," he said, "I say that we must also have the grace to acknowledge before the world that our outrage has been misplaced."

A spokesman for the Foreign Ministry in Singapore said, "In view of the emotionally charged situation in the Philippines, Singapore will exercise restraint in its comments for the time being."

New evidence came to light this month that Mrs. Contemplacion was not guilty of the murders. But the spokesman for the Singaporean Foreign Ministry said that the evidence "was thoroughly investigated and found to be untrue."

After the hanging, Prime Minister Goh Chok Tong of Singapore postponed a visit to Manila that had been scheduled for next month.

Mr. Ramos also canceled the scheduled March 29-31 visit to Singapore of the armed forces' chief, General Arturo Enrile, and indefinitely postponed Philippine-Singapore joint naval exercises scheduled for July.

He banned new deployments of Filipino maids to Singapore and ordered that a travel advisory would be issued to Filipinos bound for that country.

He placed on standby a military transport plane to repatriate some of the 60,200 Filipinos working in Singapore. If, "for reasons of personal safety," they wanted to come home.

The president angrily rejected a diplomatic protest by Singapore over the hanging of its flag during a rally in the town of



President Ramos announcing Wednesday that Manila was downgrading diplomatic ties with Singapore "indefinitely."

Davao, reminding the city state in a veiled swipe that there was "freedom of expression" in the Philippines.

Singapore had demanded that the flag-burners be prosecuted and similar acts be prevented.

Mr. Ramos said Singapore's envoy to Manila was told Tuesday "in no uncertain terms" of Manila's "displeasure

and dismay at the language" of the protest.

He assured the envoy, however, that Singaporean nationals and property in the Philippines would be protected and urged Singapore to "accord the same" to Filipinos there.

Singapore said it would deal firmly with attempts to harm or intimidate its people in the Philippines. (AFP, Reuters)

He's No Pinup, But Deng Heir Smiles in Poster

Reuters

BEIJING — China on Wednesday unveiled a poster depicting the Communist Party chief, Jiang Zemin, gazing respectfully at the country's senior leader, Deng Xiaoping, in what analysts say is the first sign of a cult to bolster Mr. Deng's chosen heir.

The colored brush painting shows a smiling Mr. Jiang looking at Mr. Deng, also smiling, who stands in front of him gesturing and supported by a cane.

The painting is called "Glad and at Ease" — a title reminiscent of the words of Mao Zedong to his chosen successor, Mao said to Hua Guofeng: "With you in charge my heart is at ease."

"The party is trying to promote Jiang to the ranks of Mao and Deng," a political analyst said. "Jiang is not qualified to have his own poster so he has to rely on Deng."

Air Quality Worsening, China Says

Agence France-Press

BEIJING — Senior officials have acknowledged that China's air pollution is "rather serious" and getting worse, with 30 percent of the country affected by acid rain, reports said Wednesday.

State Councillor Song Jian, addressing the opening of a State Council commission session on Tuesday, urged a greater reliance on legislation to tackle the problem, the People's Daily said.

"China's air pollution in general is rather serious and is worsening with the country's rapid economic development," the Xinhua news agency quoted Mr. Song as saying, noting that levels of sulphur dioxide were rising.

Exhaust gases discharged by vehicles make up half of the total pollution in some cities, said Xie Zhenhua, head of the National Environmental Protection Agency.

Mr. Song urged southern and southwestern regions of China, where the acid rain problem is particularly serious, to minimize the amount of sulphur dioxide in the air through laws and regulations.

Major cities should step up the construction of centralized heating systems and cut back on the direct use of crude oil, he said.

An international report to be unveiled in China next week described the environmental implications of the country's economic growth as staggering.

China's dependence on coal as a prime energy source makes it the developing world's largest generator of carbon dioxide emissions, the report said. The report was compiled by the National Environmental Protection Agency, the UN Development Program and the World Bank.

China accounts for 10 percent of all the greenhouse gas emissions on the planet, it said, adding that annual demand for coal in China was forecast to triple to 3.1 billion tons by 2020.

India Jet Fighter Explodes

Agence France-Press

NEW DELHI — A British-built Jaguar jet belonging to the Indian Air Force exploded on Wednesday while taking off from the northern Indian military airbase of Ambala, the Press Trust of India said. The pilot was able to bail out.

Bhutto Appeals for U.S. Aid in Fighting Terrorism

By John F. Burns
New York Times Service

ISLAMABAD, Pakistan — Under growing pressure to crack down on Muslim militants suspected of plotting terrorist attacks abroad, Prime Minister Benazir Bhutto has said that her government favors closing clandestine training centers in Pakistan's North-West Frontier Province but will need help from the United States.

"We in Pakistan simply don't have the resources on our own to carry out the entire cleansing operation," said Miss Bhutto, who met with U.S. reporters on Tuesday ahead of a two-day visit by Hillary Rodham Clinton that begins this weekend.

Miss Bhutto is scheduled to meet with President Bill Clinton in Washington next month.

The Pakistani leader said she would appeal to the United States and to other countries to help her close suspected bases of Arab and Asian militants, including Muslim religious schools and other organizations that have been used as fronts for terrorist activities.

Questioning of terrorist suspects seized recently in Peshawar, the capital of North-West Frontier Province, has revealed that the suspected mastermind of the 1993 bombing of the World Trade Center in New York made a botched attempt to kill Miss Bhutto during the 1993 election campaign that returned her to power, Pakistani

newspapers reported last weekend.

The suspect, Ramzi Ahmed Yousef, was captured in a boarding house in Islamabad six weeks ago and was immediately deported to New York.

The newspaper reports quoted unnamed police officials as saying that Mr. Yousef had accidentally detonated a bomb he originally intended to place under a manhole cover near Miss Bhutto's family home in Karachi in September 1993.

The reports said Mr. Yousef was treated for injuries to his hands at the Aga Khan hospital in Karachi and released.

Confirming the reports, Miss Bhutto said Pakistan had not known the extent of the terrorist underground here or its in-

ternational links until Mr. Yousef's arrest by U.S. and Pakistani agents in Islamabad on Feb. 7 set off a wider inquiry.

"It was deeply disturbing to Pakistan that somebody who is an international terrorist should have such deep roots within Pakistan, and that he should seek to influence the course of an election," she said.

Miss Bhutto also revealed that the police are looking for an uncle of Mr. Yousef.

She did not name him but said that he had recently disappeared from his position as director of an Arab assistance organization in Peshawar, one of a cluster of Arab social, educational and relief organiza-

tions being investigated for possible terrorist links.

Miss Bhutto added that the police had "plenty of photographs" of the man with what she described as "higher-ups in Pakistan."

She said the photographs "could be innocent, or not," and that the police would investigate to determine whether Mr. Yousef's terrorist connections extended to influential people in Pakistan.

There is a growing sense among Pakistanis that those responsible for the widespread lawlessness in the country in recent years — the drug barons who control the country's pervasive heroin-trafficking, the gangs that have run amok in Karachi and the terrorist underworld in Peshawar — are protected by a network of influential politicians and businessmen.

Miss Bhutto hinted that powerful forces are arrayed against the government when she said that Pakistan could not move on its own against terrorists.

While her government is prepared to move against "drug barons, militants and terrorists" in a way that previous governments have not, she said, "Pakistan on its own cannot just go and shut down" terrorist training camps, religious schools and other places used as terrorist fronts because doing so would prompt the militants to fan out across Pakistan and step up their campaign of violence.

In these and other remarks, she appeared to be suggesting that the Clinton administration should bolster Pakistan's stability by moving to restore aid programs that were worth more than \$600 million annually before Washington cut off all economic and military assistance to the country in 1990.

But aides to the Pakistani leader said her call for American help also was a reference to the use of U.S. influence in persuading other governments, particularly in the Middle East and North Africa, to take back their own nationals who have joined terrorist groups here.

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LEGAL NOTICES

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EUROPE

Yielding to French Strikers, Balladur Tries to Calm Waters

PARIS — Prime Minister Edouard Balladur, losing ground in France's presidential race to rivals who advocate wage increases, yielded Wednesday to pay demands by strikers in Corsica and at the state carmaker Renault.

But it was not clear whether improved offers to public employees on the Mediterranean island and staff at the country's biggest car company would be enough to end work stoppages, let alone head off wider labor unrest due next week.

Mr. Balladur's campaign spokesman, Budget Minister Nicolas Sarkozy, accused the conservative prime minister's election rivals of irresponsibly fueling wage demands.

"It must be said that the wind of demagoguery blowing at full blast is a powerful stimulus to labor conflicts," he told a news conference.

Sporadic disruption continued at several Re-

nault plants despite a management offer amounting to a 4.5 percent pay raise for this year, well above the 3.7 percent granted by the company's private sector competitors at Peugeot-Citroën (PSA).

A Renault spokeswoman said there were "some signs" that the strike was "easing." Workers were weighing the pay offer, she said, and the conflict seemed to be in a closing stage.

An official of the Force Ouvrière trade union said the offer was "a real step forward compared to other French metal firms."

But the Socialist-led CFDT and the Communist-led CGT unions said in a joint statement the offer was not enough given the size of Renault's profit.

One CGT official at Renault said he had not seen such a broad mobilization since the May 1968 student-worker revolt.

After a 38-day strike that has paralyzed public services in Corsica, workers will vote at mass meetings on Thursday on a government offer of a 3 percent cost-of-living allowance for public employees on the island by the end of 1996.

Mr. Balladur, trailing his fellow conservative rival, Jacques Chirac, and the Socialist candidate, Lionel Jospin, in polls ahead of the April 23 first ballot, signaled a shift in pay policy in an interview Tuesday with the business newspaper, *La Tribune*.

After arguing for months that the fruits of economic growth should go to creating new jobs rather than increasing wages, he said: "I have always believed take-home pay in France is not high enough. But the question must be examined case by case."

The independent Bank of France has warned

against wage deals that risk rekindling inflation, forecast by the government to be less than 2 percent this year.

Trade unions have called for a day of action on March 30, with strikes for higher pay planned at the state railroad SNCF, the Paris transport authority RATP and domestic airline Air Inter.

Political commentators said the government's pay concessions were bound to whet other workers' appetites.

"The government gave in to social pressure yesterday in Corsica and it has given in at Renault, too," said Jean-Marc Sylvestre, an analyst for the France Inter radio station.

"One can be certain that salaries in general, and notably in the private sector, will increase after the presidential election," he said.

Gerry Adams's Stock Rises in Ireland in Wake of U.S. Visit

By James F. Clarity
New York Times Service

DUBLIN — As a result of his much-publicized visit last week to the United States, Gerry Adams appears to have strengthened himself as the political leader of the Irish Republican Army, the man most Irish people think has great influence in sustaining the IRA cease-fire, now in its seventh month.

And Mr. Adams, back in Dublin, also seems to have achieved significant success on tactical goals of Sinn Féin, political arm of the IRA.

Within the military councils of the IRA, Mr. Adams has again shown that his political efforts are bringing the republican movement benefits it could not dream of if the IRA restarted guerrilla warfare in Northern Ireland.

In addition to gaining the right to raise funds for political purposes in the United States, Mr. Adams was invited to meet with President Bill Clinton, to talk and have his picture taken with Senator Edward M. Kennedy, to attend a White House party in a tuxedo, all signs that he and his movement have come a long way from the days when he led the IRA's Belfast Brigade and was interned by the British.

On television screens all over the world he got attention for his argument that the British should relinquish power in their Northern Ireland province.

Perhaps the most significant result of all this, according to Irish officials and independent



Men of the 5th Regiment, Royal Artillery, waving goodbye Wednesday as they board a military transport in Belfast. They became the first British troops to be withdrawn from Northern Ireland since the Irish Republican Army cease-fire.

experts, is that Mr. Adams's influence with the IRA has probably never been stronger.

Tim Pat Coogan, a historian whose writings on the IRA are standard references, said Mr. Adams and his No. 2 in Sinn Féin, Martin McGuinness, who also has a guerrilla background, now have effective control of the military organization.

While the IRA reportedly keeps going through the mo-

tions of selecting putative targets, the Roman Catholics in the North, particularly in Belfast, press for continuing the talks, for trying to negotiate the release of IRA prisoners and for the reform of the overwhelmingly Protestant Royal Ulster Constabulary, the police force.

Mr. Coogan, who has many friends in Sinn Féin, and other experts said that Catholics and Protestants in the North want negotiations that could bring

their imprisoned fathers, husbands and sons home rather than military operations.

Mr. Coogan and Irish officials said that Mr. Adams was compelled to make a worth-the-price concession to the British in order to gain Mr. Clinton's approval of his visit: his agreement to discuss IRA disarmament with British ministers.

Asked this week if he was still ready to discuss IRA disarmament at such talks, he said, "Absolutely," but he declined to say how soon that might happen. Previously, he had insisted on all-party talks, including with Northern Ireland's Protestant leaders, as part of a final peace settlement.

Britain upgraded its talks with "loyalist" parties from the Protestant side, with a minister for the first time joining in discussions about disposing of

arms. The Associated Press reported Wednesday from Belfast, Michael Amram, Britain's second-ranking official in the province, was the first British minister to meet with allies of the armed groups in the current peace process.

Two weeks before he left for America, Mr. Adams said, "Republicans are fairly patient," and would not expect to be included in all-party political talks on disarmament, for three or four months.

Politically, outside the IRA, Mr. Adams has also won concessions. Until he and John Hume, the influential leader of Northern Ireland's Catholic-dominated Social Democratic Labor Party, began a secret peace initiative two years ago, Sinn Féin was banned from the United States as a front for a terrorist organization.

Now Mr. Hume, once a political enemy whose candidate defeated Mr. Adams in the 1992 British parliamentary election, has personally introduced Mr. Adams to Mr. Clinton in Washington.

Mr. Adams's agreement, under White House pressure, to discuss disarmament with British ministers was followed in a matter of days by a British concession on the promised withdrawal of 400 British troops from the North.

And Mr. Adams has held on to the political support of the Irish government of Prime Minister John Bruton, support that seemed weakened when Mr. Bruton replaced Albert Reyn-

olds three months ago.

BRIEFLY EUROPE

Treaty Postponement Suggested

VIENNA — The head of the International Atomic Energy Agency said Wednesday that the conference on renewing the Nuclear Nonproliferation Treaty could be postponed.

The conference is scheduled for New York in April, but the agency head, Hans Blix, told the Austrian daily *Die Presse* that a postponement was possible since there was not a majority for an extension of the treaty among the 172 signatory countries.

The United States and other industrialized countries want an indefinite extension of the 25-year-old treaty, but many countries are opposed. Egypt and other Arab signatories, for instance, want Israel to sign the treaty first. (AFP)

EU Backs European Unicef Head

UNITED NATIONS, New York — Foreign Minister Alain Juppé of France has told the UN secretary-general, Boutros Boutros Ghali, that the European Union backs a European nominee to head Unicef.

Mr. Juppé wrote the UN chief that the majority of the 15-member EU meeting in Carassonne, France, wanted former Defense Minister Elisabeth Rehn of Finland to head the children's fund, diplomats here said.

The United States, which has headed Unicef since its inception in 1946, wants it to remain under American control. But European nations argue that they collectively contribute half of Unicef's budget.

The winning candidate would replace an American, James Grant, who died in January. (AFP)

Calendar

European Union events scheduled for Thursday:

ANKARA: Meeting of Foreign Ministers Klaus Kinkel of Germany, Alain Juppé of France and Javier Solana Madanaga of Spain, whose countries hold the rotating top posts in the EU.

BRUSSELS: Transport Commissioner Neil Kinnock meets with a delegation from British shipping.

BRUSSELS: The European Parliament's Commission on Foreign Economic Affairs questions João de Deus Pinheiro, commissioner for relations with African, Caribbean and Pacific countries, about South Africa.

BRUSSELS: Mr. Kinnock and Marcelino Oreja, EU commissioner in charge of relations with other EU institutions, meet with Lord Tordoff, head of the British committee in charge of organizing the union's 1996 intergovernmental conference.

LONDON: Regional Policy Commissioner Monika Wulf-Mathies meets with the British environment minister, John Gummer; the secretary for regional development, Sir Paul Beresford, and Commerce Secretary Timothy Eggar.

COPENHAGEN: Immigration Commissioner Anita Gradin meets with Denmark's interior minister, Birthe Weiss; Justice Minister Bjørn Westh and Economy Minister Marianne Jelved.

BRUSSELS: The Commission president, Jacques Santer, meets with René Monory, speaker of the French Senate.

LUXEMBOURG: Mr. Santer speaks on the advantages of economic and monetary union.

BRUSSELS: Tourism Commissioner Christos Papoutsis speaks to the Transport and Tourism Commission of the European Parliament.

BRUSSELS: Environment Commissioner Ritt Bjerregaard meets with Gerd Walter, head of the Baltic Sea subregional committee.

Sources: Agence Europe, AFP.

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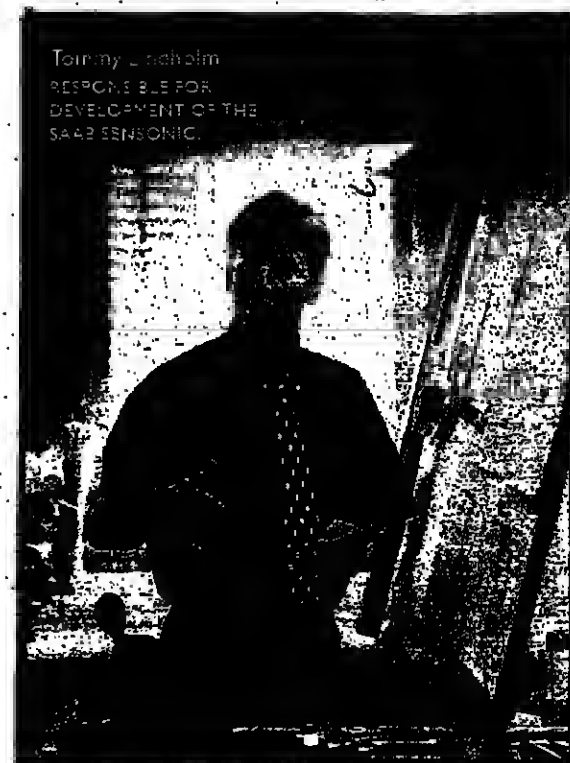
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SAAB

EUROPE

Disarray in Contact Group Adds to the Woes in Bosnia

By Steven Greenhouse
New York Times Service

PARIS — With great fanfare last spring, the United States, Russia, France, Britain and Germany formed the so-called Contact Group, confident that their collective diplomatic might would enable them to press Bosnia's warring factions to make peace.

A year has passed, and not only does peace in Bosnia seem as elusive as ever, but many diplomats say the Contact Group is on the brink of falling apart. The five powers seem to spend more energy quarreling about Bosnia than exerting pressure on the Muslims, Serbs and Croats.

There are as many differences within the group as there are members. The Clinton administration says it wants the United Nations to lift the arms embargo against Bosnia's Muslim-led government to step up pressure on Bosnian

Serbs, but Britain, France and Russia oppose ending the embargo.

France has proposed a summit meeting of the leaders of the group and the former Yugoslav republics, which U.S. officials called premature.

[The United States and France agreed on Wednesday on urgent diplomatic steps to try to prevent a looming resumption of war, Foreign Minister Alain Juppé of France and U.S. officials said. Reuters reported from Paris.]

[After talks with Secretary of State Warren M. Christopher, Mr. Juppé said they had agreed to reactivate the Contact Group with the immediate aim of maintaining U.S. peacekeepers in Croatia and prolonging a crumbling cease-fire in Bosnia.]

U.S. diplomats complain that Britain and France are all too eager to make concessions to President Slobodan Milosevic of Serbia to cajole him into pushing the Bosnian Serbs to make peace.

"The situation right now within the Contact Group is total disarray," said one of the administration's top policymakers on the Balkans. "At this point, people will have to decide whether the Contact Group has any usefulness left or not."

In the group's biggest controversy, the United States and the Europeans insist that economic sanctions on Serbia should not be lifted until it formally recognizes Bosnia and Croatia. But Foreign Minister Andrei V. Kozirev of Russia told Mr. Milosevic last month to grant recognition only after sanctions were removed.

"The idea for the Contact Group was we were going to come up with a position, stick to it and use our leverage to make it happen," one American diplomat said. "The Contact Group has stumbled badly, primarily because Russia has often gone off on its own. The Russians have used the group as a means to advance the Serbian agenda, rather than to impose the Contact Group's position."

Mr. Christopher flew to Europe on Tuesday to meet with Mr. Juppé, and with Mr. Kozirev on Wednesday and Thursday in Geneva.

Aides accompanying Mr. Christopher said one purpose of the trip is to revive the Contact Group and push the stalled negotiations forward.

The Contact Group can boast of a few achievements. It helped persuade Mr. Milosevic to close Serbia's border with Bosnian Serbs, a closing that U.S. officials say is full of holes. In perhaps its most important accomplishment, it put together a peace plan that would give Bosnia's government 51 percent of the territory and the Bosnian Serbs 49 percent.

Bosnia's government has accepted the plan, while Mr. Milosevic has given it his grudging, partial blessing. But the Bosnian Serbs, who control 70 percent of Bosnia's land, have rejected it.

A Russian Ultimatum to Chechen Rebels

Compiled by Our Staff From Dispatches

SHALI, Russia — Russian forces delivered a harsh blow to Chechen separatist forces Wednesday, moving to encircle the main rebel bastion of Shali and issuing an ultimatum to those fighters now trapped in nearby Argun to surrender their arms.

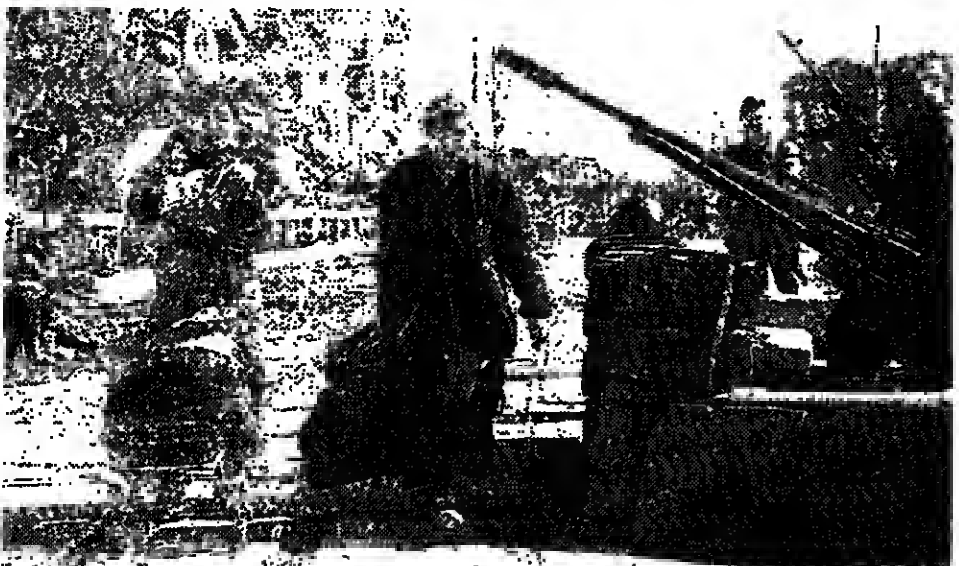
Ground forces advanced Wednesday, forming a semi-circle around Shali, after capturing the village of Mesker Yurt, 11 kilometers (7 miles) to the north in overnight fighting. Chechen soldiers and civilian refugees said.

The Russian forces cut off the main road between Shali and the rebel stronghold of Argun as a maneuver evidently designed to encircle this town, where fighters loyal to President Dzhokhar Dudayev are based.

Russian tanks and infantry control escape routes from Shali to the west and north, while Russian planes and helicopters regularly bomb and strafe roads to the east and south.

The center of Shali itself was rocketed at midmorning, as refugees crammed their belongings into trucks and joined the exodus toward the mountains in the south.

Sukhoi-25 fighter bombers attacked Shali on Wednesday and hit targets east, southeast and south of the town in an arc of about 8 kilometers. The



Refugees passing a Russian checkpoint on Wednesday as they returned to Grozny.

planes could be seen continuously circling high in the sky, then diving and firing rockets.

It was not immediately clear whether there were casualties.

Chechen rebels said they had executed a captured Russian bomber pilot on Tuesday for carrying out raids on Shali, a Chechen government spokesman told the Interfax news agency.

Russian troops on Tuesday had crossed the Argun River, captured an important hill

and taken a road and railroad leading to the city, the government press service reported.

On Wednesday, they issued the ultimatum for surrender. No time period was specified.

Troops had been positioning themselves to take Argun since they seized Grozny in February after weeks of heavy fighting that left the Chechen capital destroyed. Many parts of Argun have also been destroyed by Russian bombardment.

The Russian advances have

made it difficult for relief organizations to bring aid to suffering civilians.

"For a few weeks, we have had problems of access to the south," said Marianne Coradazzi of the International Committee of the Red Cross.

The Russian offensive is forcing an increasing number of refugees to seek shelter in villages in southern Chechnya, where they have no medical or other humanitarian aid.

(AFP, Reuters, AP)

Showdown Ahead, Bosnian Serb Says Government Troops on Move

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — A Bosnian Serb leader warned Wednesday that a "final battle" was in store following a push by Bosnian government troops toward strategic Serbian positions in the northeast.

The fighting in the Majevica hills and battles for other strategic heights in central Bosnia have alarmed United Nations officials, who have appealed to both sides to stop the battles before a battered truce totally collapses.

"This will be the final battle," Momcilo Krajisnik told the Serbian weekly Javnost.

He said the Serbs "must be prepared to respond with all available means."

Serbs fear that government forces are preparing to move against a vital Serbian supply corridor in the extreme northeast.

If it were cut, Serbs in western Bosnia and in Serbian-held parts of Croatia would be severely weakened.

Government forces apparently want to wrest control of artillery positions in the Majevica heights from which the Serbs fire on Tuzla, the second-

largest city held by the government.

UN officials said there were indications that government troops had gained up to three square kilometers (one square mile) of territory, but UN assessments have been limited by restrictions on peacekeepers' movements.

Each side accused the other of initiating the latest fighting, but UN officials said that it appeared that the government troops had started the attack.

As the truce has progressively deteriorated, Serbs have shown increasing disregard for the authority of the UN force.

Seven weapons were seized from a UN storage site over the past week, and more UN vehicles and weapons have been hijacked by Serbian units.

On Tuesday alone, three UN vehicles were taken, as well as a machine gun and ammunition.

The weapons at the storage site, which belonged to the warring factions, were put under UN guard after an ultimatum in February 1994 by the North Atlantic Treaty Organization that banned all arms above a caliber of 12.5mm from a 20-kilometer (12.5-mile) radius around the capital.

(AP, Reuters)

EUROPEAN TOPICS

New 500-Franc Bill: A \$14-Million Work

When you're making something that people will look at as closely as a 500-franc bill, you want to be sure to get it right. In the case of the new bill that began circulating in France on Wednesday, getting it right was a frustrating exercise that ended up costing more than 70 million francs (\$14 million).

The brightly colored bill, celebrating the contributions of the Nobel laureate physicist Marie and Pierre Curie, includes a depiction of an atom of radium, an element they discovered. The Curie Institute, watching over the project, approved.

But savvy descendants of the family spotted a misplaced electron, which made this not a radium atom but something quite different. Millions of bills had to be destroyed.

Then came the passage, a year ago, of a penal code with a new clause on counterfeiting. The old clause had already been printed on millions of Curie bills. Out they went. Technical printing problems also took a toll.

In the end, more than 70 million bills — production cost, about 1 franc each — had to be disposed of.

The toughest test may come now, with the bills undergoing public scrutiny. It took a sharp-eyed cleaning woman to point out to the Bank of France a few years ago that its redesigned 50-franc bill had an extra accent on the name of the writer-aviator Antoine de Saint-Exupéry.

In 1906, the Academy of Medicine said a naked child on a new 100-franc bill was suffering from "a lamentable scoliosis, a withered arm, a club foot and one leg shorter than the other."

Four days of debate, fanned by the arguments of those who considered the child's nudity indecent, ensued at the National Assembly. In the end, modesty and its medical backers lost out.

the bill remained in circulation for 39 years.

Around Europe

Amid a dramatic decline in membership, churches in Germany are fighting back. The Protestant and Roman Catholic churches have lost 3.4 million members in the last 10 years, and the trend may be accelerating, reports Focus news magazine. Many church-leaders cite the religion tax that members are obliged to pay in Germany.

Prayer, it seemed, was not enough to halt the exodus. In Augsburg now, some 300 volunteers work the phones each day in an ambitious effort to reach every one of the city's 120,000 households. Billboards around the city offer a "fresh start" through the churches. Churches are even sponsoring giveaways of watches, umbrellas and pens.

Martin Kluger, an Augsburg marketing specialist, praised the efforts as "very professional." Others are more skeptical. "You can't sell faith," said one Catholic Church official. "the way you do detergent."

Obituaries in British newspapers have become much livelier reading, writes Janine Di Giovanni in the Sunday Times. Where once they glossed over the dead's shortcomings, they have become a source of almost anthropological fascination to those who understand the "code." Increasingly, one finds such phrases as "bon vivant" (translation: heavy drinker), "controversial" (highly unpopular), or "did not suffer fools gladly" (tough-tempered egoist).

The obituary pages have also become more adventurous with their photo selections. When Lord Mollay, a former cabinet minister, died last week, The Times ran a famous photograph of him sound asleep next to the Queen at an official function.

And the Daily Telegraph accompanied its recent obituary of Captain "K.P." Keighly-Peach, a war hero, with a large rear-view photo of the distinguished gentleman posing naked with fellow aviators as part of a dare in 1932.

Brian Knowlton

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INTERNATIONAL



A BERLUSCONI RIVAL—Romano Prodi, an economist who hopes to form a center-left alliance to challenge former Prime Minister Silvio Berlusconi in the next elections, dealing with reporters at a briefing in Rome on Wednesday.

Italian Media Company Hunkers Down

Referendum Threatens Berlusconi's Half of the TV Market

By John Tagliabue
New York Times Service

MILAN — Running Fininvest, the \$7 billion conglomerate owned by the Italian media baron-turned-politician, Silvio Berlusconi, is "like a kibbutz," said Fedele Confalonieri, the company's chief executive.

"You shoot, and you spade," said Mr. Confalonieri, 57, who was left in charge of Fininvest last year when Mr. Berlusconi entered politics. His words reflect the man: direct, no holds barred, and, maybe, a little anachronistic.

But then, some people here in Italy's financial center find Fininvest itself out of step with the times as it struggles to hold on to a television empire built in the 1980s on a combination of hard work and political cronyism.

Mr. Confalonieri and Mr. Berlusconi are now toiling to deflect a move that could be a serious blow to Fininvest.

Italians are being asked to decide in a referendum this spring whether to strip Fininvest of two of its three national television channels, with about half the nation's television audience, and to restrain Fininvest's advertising arm, Publitalia, which accounts for about 60 percent of Italian television's advertising revenue, or about \$1.4 billion.

Mr. Berlusconi owes his channels largely to 1991 legislation that divided the television market between Radiotelevisione Italiana, the state net-

works known as RAI, and Fininvest. Backers of the referendum, a ragtag coalition of political parties and public interest groups, say that letting a politician control half the national airwaves gives him unfair advantage with voters.

This threat to Fininvest comes in the wake of political reversals for its owner. Mr. Berlusconi became prime minister last year as the head of a center-right coalition, but then in December resigned when an ally backed out of the coalition. Moreover, Fininvest has been repeatedly investigated for corruption.

"We've had maybe 150 inspections in one year," Mr. Confalonieri said, sounding like a commander under siege, "and some 20 or 25 investigations, though not one indictment."

Mr. Berlusconi's brother, Paolo, was convicted on several corruption charges, but he was not technically a Fininvest officer at the time.

Even so, Fininvest is not hurting financially. Three of its four major businesses — television, financial services and its Mondadori publishing arm — are highly profitable; only the Standa supermarket division is losing money.

And the sale of 53 percent of Mondadori in December, and of other assets in January, netted Fininvest about \$1.2 billion, helping cut its debt to about \$1.9 billion, from \$2.4 billion a year ago.

Mr. Berlusconi has issued a battle cry for June elections;

fresh national elections would postpone the referendum, but he has hedged his bet with frequent commercials on his channels telling Italians how to vote if the referendum takes place.

Over at referendum headquarters, Stefano Semenzato, an economist, advocates cutting back RAI, as well as Fininvest, for the good of television.

He says Italian television has ossified, with little pay television and almost no cable. While German households own 6 million satellite dishes, and Britain has 3 million, there are only 300,000 in Italy.

During Mr. Berlusconi's seven-month administration, state-run RAI was told to start making a profit. Mr. Confalonieri says this has created a tough new competitor for Fininvest.

Others dispute this, and magistrates have been looking into charges that officials of RAI and Fininvest illegally sought to divide advertising revenue.

In the face of the referendum, Mr. Confalonieri has proposed a negotiated settlement, offering to surrender one channel in exchange for the right to enter new technologies like pay-per-view, which is now barred.

Fininvest would then sell a majority stake in its television interests, partly on the stock market and partly to television companies in Europe or the United States, to gain corporate allies and capital.

And Mr. Berlusconi's political adversary, the formerly Communist Democratic Party of the Left, which backs the

referendum, now seems willing to compromise.

"We don't want to punish anyone, to turn anyone off," said Walter Veltroni, editor of the party paper L'Unità, in an interview that cheered Mr. Confalonieri. "It's a question of turning on new televisions."

Russian House Votes IMF-Backed Budget

The Associated Press

MOSCOW — The upper house of Russia's Parliament on Wednesday passed an anti-inflationary budget for 1995, meeting a key demand of the International Monetary Fund for financial stabilization measures.

The government has described the new budget as "the beginning of a reform offensive."

Lawmakers in the Federation Council voted, 99 to 24 with 6 abstentions, to approve the budget, which was a key element of the \$6.4 billion loan deal reached earlier this month with the IMF.

"Today is a good day for everyone," said Finance Minister Vladimir G. Panskov.

First Deputy Prime Minister Anatoli B. Chubais said last week that the 73.2 trillion

ruble (\$17 billion) deficit envisioned in the budget plan would amount to less than 5.6 percent of gross domestic product, far below last year's 11 percent.

Passage of the budget was a victory for the government, which had seen its efforts to get an early budget stymied by Parliament for each of the past several years.

The State Duma, the lower house, has already approved the budget, which now only needs President Boris N. Yeltsin's signature to take effect. After that vote, Mr. Chubais said that the budget was a rigorous one that marked "the end of retreat from reform and the beginning of a reform offensive."

Mr. Panskov said Mr. Yeltsin was expected to sign the budget by April 1.

The budget calls for spending of 248.3 trillion rubles on revenues of 175.1 trillion.

The government's economic program aims to bring inflation down to 1 percent a month in the second half of this year from 11 percent last month by giving up inflationary central bank financing of the deficit.

Instead, 30.6 trillion rubles of funding will come from domestic bond issues and 42.6 trillion from foreign loans, primarily the IMF loan. The vote came as the Russian government said the economy was emerging from years of crisis and projections of possible growth by 1997 if current policies continued.

Economics Minister Yevgeni G. Yasin said Monday that inflation was expected to fall to 15 to 20 percent a year in 1996 or 1997, from about 300 percent last year. He also said the key goal for 1995 remains financial stabilization.

U.S. Warns of Iran Buildup in Gulf

Chemical Weapons Part of Stockpile, Defense Chief Says

Reuters

ABU DHABI — Iran has moved chemical weapons to islands at the mouth of the Gulf as part of a buildup that could threaten oil shipping, the U.S. defense secretary said Wednesday.

Secretary William J. Perry has warned during a weeklong trip through moderate Gulf states that Iran might one day try to control the flow of half the world's oil using the military buildup.

"This involves almost 8,000 military personnel moved to those islands," Mr. Perry said in Manama, the capital of Bahrain.

"It involves anti-ship missiles, air-defense missiles, chemical weapons."

"It can only be regarded as a potential threat to shipping in the area," he added.

Mr. Perry did not name the islands, but the Pentagon has previously identified one as Abu Musa.

Mr. Perry said the Gulf represented "a vital economic lifeline" to oil states in the region and was a key to world energy resources.

The defense secretary, who earlier urged leaders of Saudi Arabia, Kuwait and Bahrain to improve their defenses against Iraq and Iran, later flew here, the capital of the United Arab Emirates, where he held talks with President Zayed bin Sultan al Nahayan and Defense Minister Mohammed bin Rashid al Maktoum.

Ownership of some of the islands occupied by Iranian forces is disputed by the emirates, but Mr. Perry said the forces being built by Tehran are far beyond anything needed for defense.

An Iranian Foreign Ministry spokesman on Tuesday said that Iran would not give up its claim to Abu Musa and the Greater and Lesser Tunb islands in the dispute with the emirates.

Gulf Arab foreign ministers conferred in Saudi Arabia on Monday and offered their backing to the emirates over the dispute.

The United States lists Iran as a country sponsoring state terrorism.

Last week, President Bill Clinton signed an order banning U.S. companies from making oil investment contracts with Iran, effectively quashing a deal that Conoco was considering.

Health Minister To the Rescue

Reuters

JERUSALEM — There is one Israeli citizen who will probably never grumble again about the government's administration of health care.

Struck Tuesday by a heart attack in a Jerusalem hotel, the 72-year-old man was revived by Health Minister Ephraim Sneh, who answered a "Is there a doctor in the house?" call, a ministry spokeswoman said Wednesday.

Dr. Sneh, who was about to give a speech in the hotel, is a specialist in internal medicine and a former chief medical officer of the Israeli Army.

The heart attack victim was hospitalized in stable condition.

Playwright Sidney Kingsley, 88, Dies

New York Times Service

Sidney Kingsley, 88, who brought the gritty drama of mean city streets into the theater in plays including "Dead End" and "Detective Story" and who won a Pulitzer Prize in 1933 for his first Broadway play, "Men in White," died Monday at his home in Oakland, New Jersey.

The cause was a stroke, said his secretary, Maureen Lake.

Mr. Kingsley's forte was the realistic and trenchant examination of major contemporary issues. In "Men in White," he explored the conflict between physicians' professional and family obligations, while "Dead End" (1935) looked at slum life as a breeding ground for criminals. "Detective Story" (1949) was set in a police station and included among its cast of characters petty thieves, a drug addict and a female shoplifter.

"The Patriots" (1943), written during World War II when the survival of the Western democracies seemed to be in jeopardy, upheld Thomas Jefferson's abiding faith in the common man over Alexander Hamilton's belief in government by the privileged. "Darkness at Noon" (1951) dramatized the Arthur Koestler novel about the horrors of Stalin's purge trials.

He was married to the actress Madge Evans, who died in 1981. No immediate family members survive.

Retired Brigadier General James H. Howard, 81, the only

fighter pilot to win the medal of honor in aerial combat over Europe in World War II, died on Saturday in Bay Pines, Florida, after a long illness, his family said.

Sir James Kilfedder, 66, a Northern Ireland politician and the only member of Parliament for the Ulster Popular Unionist Party, died of a heart attack on Monday, the British government reported in London.

Retired Admiral Walter F. Boone, 97, whose more than 40

years of service included the superintendency of the U.S. Naval Academy from 1954 to 1956, died Sunday in Washington after a heart attack.

William F. Rickenbacker, 67, an investment counselor and a senior editor of National Review magazine, died Thursday at his home in Franconstown, New Hampshire, from cancer. He was the son of Edward V. Rickenbacker, the World War I ace and founder of Eastern Airlines.

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Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Terror Under Tokyo

Tokyo's 5.8 million subway commuters are frightened after Monday's coordinated attacks on three Tokyo subway lines with the nerve gas sarin. So far, 10 people are known dead and 5,000 injured. The authorities are puzzled about what kind of organization, with what kind of motive, could have conceived and executed these murderous attacks.

New Yorkers can understand the emotions of Tokyo's people and empathize with their plight. New York, too, has been subjected to indiscriminate attacks on ordinary people, such as the 1993 World Trade Center bombing that killed six and injured more than a thousand. New Yorkers also know that it means to have no realistic alternative to mass transit. "If you say you won't ride the subway, you can't make a living in Tokyo," a Tokyo resident told *The New York Times* hours after the terrorist attacks. It is as true in New York.

Terrorism's nature is to target the innocent to manipulate public fears. The absence of any demands or claims of responsibility makes the Tokyo horror seem particularly pointless and terrifying. The mind craves an explanation, if only to contain the fear. Without a sense of what might or might not be a target, people imagine danger everywhere.

For now, Tokyo commuters sniff as they enter subway cars and flee if they glimpse anything resembling an aban-

doned lunch box, the kind of container the authorities believe was used to transport the sarin. In time, people will revert to the less vigilant routines of ordinary commuting. But they will never completely relax. The fragile psychic balance of urban life has been dealt another brutal knock.

Japan has known terrorism before, from the extreme left and the extreme right. It has seen rockets used against political targets, nerve gas released in residential neighborhoods and even practice runs for Monday's subway attack. But it has known nothing that could match the coordination, precision and audacity of Monday's assault. The vulnerability of urban life to terrorist disruption has been chillingly exposed.

More than most societies, the Japanese cherish safety and predictability. But in the modern world there can be neither. Sarin can be readily synthesized from easily available ingredients. It is dangerous to handle, but difficult to detect. Every subway system in the world is potentially vulnerable to it. New York's included.

Japan goes out of its way to avoid giving offense to terrorist states. It does all it can to discourage foreign residents. That makes it likely that the Tokyo terrorists were home-grown. But citizens everywhere share the same vulnerability, just as they share the grief.

—THE NEW YORK TIMES

Clinton and Yeltsin

Summits are not lollipops — prizes for good behavior. They are occasions for leaders to work on the tough problems that are why it is good that President Bill Clinton has decided to hold a summit meeting with Boris Yeltsin in Moscow on May 9. There is no crisis, but there is a puzzle and some anger on both sides.

The summit was hard to arrange. The United States was put off by, among other things, Russia's Chechnya brutality and its plans to sell nuclear reactors to Iran. Russia grumbled at being expected to make policy adjustments just for President Yeltsin to be ushered into the Clinton presence. Still, Mr. Yeltsin made a small but useful concession, deciding to commemorate the 50th anniversary of the Allied World War II victory in a form that did not imply his guest's approval of continuing Russian operations in Chechnya.

That let Mr. Clinton join in for the stated and worthy purpose of rendering respect to the Russian people's wartime heroism.

Some perspective badly needs to be set against Moscow's too little noted, historic decision, as Leon Aron has written, to abandon empire, great power status, armed might and the priority of for-

ign policy. On its part, Russia needs to align policy not simply with Western norms but with the standards of Russia's own democrats, who bitterly oppose the Kremlin's Chechnya policy. If Moscow is to set reactors to a country that might misuse them to build a bomb, it must accept an obligation to show how it will ensure that its sales will not be misused.

Russia's democratic promise and Mr. Yeltsin's leadership have come under a cloud. Historic forces are churning, and no one can say whether Russia will end up more a nasty mini-Soviet Union or a state stumbling toward liberal democracy. The outcome is far from being in President Clinton's hands. But he must demonstrate that, whatever happens in Moscow, he has a tight grip on the American interest.

That means dealing on major matters — nuclear safety, global political issues — with a country which, although greatly shrunk and difficult, remains unavoidable. It means staying alert to effective ways of strengthening Russian democracy and reform. At the same time, Mr. Clinton must be careful not to convey more confidence in Russia and in Mr. Yeltsin than the plainly visible facts justify.

—THE WASHINGTON POST

A Flawed Welfare Bill

The U.S. House of Representatives this week has taken up a deeply flawed welfare reform bill. A sign of how many problems there are with this legislation is that more than 150 amendments have been proposed. Many come from Democrats but from Republicans aware of the bill's shortcomings. Some are worth passing, but they will not cure what ails this legislation. "Nothing could be more cruel to children than the current welfare system," said Majority Leader Richard Armitage, Republican of Texas. That is not true. This bill would make it worse.

The sponsors have used appealing arguments for decentralization and experimentation as rationales for ending welfare's "entitlement" status and turning it into a "block grant" program to be run by the states. "Entitlement" is a loaded word, but also a technical one. Because Aid to Families with Dependent Children is an entitlement, all who meet certain basic requirements can apply. Applications go up when states fall on hard economic times and drop back during recoveries. Money flows to states when they need it most. Ending welfare's entitlement status means that the program would be far less flexible and less responsive to changing economic circumstances. The bill's "rainy day fund" does not begin to make up for this loss in suppleness. States should be encouraged to experiment with better approaches to welfare, but you don't need block grants to let those experiments go forward.

The bill also presumes that a better welfare system can be built with far less money. It would be nice if that were true, but it isn't. It is good policy to move to a system that would promote work and require of those capable of holding a job. But the means the government would have to provide money for training, education, child care and ultimately jobs, whether in the public

sector or through subsidies to employers. This proposal, on the other hand, would reduce spending on the poor by at least \$66 billion over a five-year period. Some of these cuts come from unwise changes in the child nutrition and food stamp programs. Both these programs work quite well. Some trims might be in order, but nothing like those now being proposed.

Opponents of abortion have rightly led the charge against a provision in the bill that would simply bar children of mothers under 18 from getting any assistance. Whatever one's view on abortion, it does not make sense to ask a child to bear the cost of a parent's mistake. Another amendment would provide for some more spending on child care. It is a good idea but not enough to make the work requirements in this bill plausible.

Members of Congress should improve this legislation, if only to keep as many bad ideas out of it as possible. But ultimately it should be defeated and rewritten.

—THE WASHINGTON POST

Other Comment

Nostalgia for the Welfare State

The voters of Finland have just returned the Social Democrats to power after eight years of conservative government, indicating a popular nostalgia for the welfare state. But whereas 30 years ago the Social Democrats could win majorities or at least dominate their coalition governments, nowadays only minority left or center-left coalitions are possible, which means that the old-style socialist policies of yore are now out of the question. In the 1990s there is no alternative to neoliberalism and austerity. The Social Democrats will not be able to rebuild the welfare state, but at most will merely slow down its demise.

—Neue Zürcher Zeitung (Zurich)

Talking Back, the Syrian Discusses His Neighborhood

In a column on this page on Monday, the writer imagined Warren Christopher addressing Hafez Assad. In this sequel he imagines President Assad replying.

By Thomas L. Friedman

WASHINGTON — "Chris — you don't mind if I call you Chris? I hope you're comfortable in that overstuffed chair. I've had many secretaries of state sink in there before you."

"Kissinger liked to tell me about his dates with Bill St. John. Baker was always snapping his notebook shut and telling me if I didn't accept his terms he would leave Damascus and never come back. Ahhh, but they always come back, don't they, Chris? And so will you. You've been here 11 times already, and you've been to Mexico once. I'm glad to see you have your priorities right."

"Now Chris, you told me a lot about the world outside Syria. But let me tell you about my neighborhood. Politics and passion may have yielded to the bond market in America, but not in the alleys of Damascus. Here tribal bonds, not investment bonds, still rule the day. Here the iron fist of the ruling tribe, not the hidden hand of the marketplace, dominates politics."

"I come from a minority tribe in Syria, the Alawites. That means that if I show any vulnerability, the majority here will skin me alive and leave me as roadkill."

"I think about that every morning, Chris — not about the Dow Jones industrial average. That's why I may be poor, but I'm not weak. I can't afford to be. And my people don't want me to be. They appreciate the stability I bring. We have a proverb: Better 100 years of tyranny than one day of anarchy."

"But Chris, because I'm a minority, my standing at home also depends on my role abroad. The only way I can justify ruling Syria as a minority is if I pretend that I'm not a minority — that I am part of a wider Arab nation. That is why I must always project myself as leader of the Arab world."

"You think my choice is between joining the Western camp — with its bond markets — and joining the Muslim fundamentalists. You're wrong. My choice is between Arab nationalism and Muslim fundamentalism. I will make peace with the Jews only in a way that establishes me

as the one Arab leader who knows how to make peace with dignity — who does not grovel the way those lackeys Arafat and Sadat did. They thought they had to choose between the West and Islam, so they chose the West. Sadat paid with his life. So will Arafat. Not me."

"Rabin wants to be another Menachem Begin and swap land for peace with me, as Begin did with Egypt. But I won't be another Sadat. I intend to be better than Sadat. I intend to give the Israelis less and to get more."

"That is the only way I can protect myself from my own fundamentalists and domestic opponents and maintain the Arab leadership status that will always bring Syria money from someone."

"So Chris, if you want to forge a deal between me and Rabin over the Golan, you'll have to pay for it in my currency. It's not going to fall in your lap."

"But Chris, I'm worried. As I have watched the parade of secretaries of state sitting in that chair I have not only seen the end of the Cold War, but the end of America as a superpower. You come here with empty pockets. I would be better off negotiating with Merrill Lynch."

"You also come here not willing to

impose any restraint on the Israelis, because your administration is so weak politically you are afraid of offending even one Jewish voter. Look at Rabin. He's still building settlements like crazy in the West Bank and you haven't uttered a peep."

"Chris, one thing a Syrian president learns to smell is weakness, and I smell it all over you. As long as you allow Israel to act according to its appetite, not its real interests, I will never trust you."

"Kissinger, Carter and Baker understood that a statesman can be popular or he can be effective, but in the Middle East he can't be both."

"The Israelis loved George Shultz so much they planted a forest in his name while he was still secretary of state. But he produced nothing. Kissinger hasn't gotten even a tree in his name; Baker will be lucky to get a cactus. Yet they both produced a lot out here."

"So Chris, you can have your forest now or you can have it later. Make up your mind. Until then, stay out of my life."

"And Chris, here's your phone back; I won't be needing it. By the way, be careful when you press the SEND button. You never know what might happen."

The New York Times

Look Again, Israelis and Syrians May Be Getting Somewhere

By Shai Feldman

WASHINGTON — Israeli-Syrian talks resumed this week in Washington. It is important to note the recent evolution as well as the unprecedented nature of these discussions.

During Secretary of State Warren Christopher's visit to the region last week, it became evident that these negotiations are increasingly focused on the security arrangements to follow Israel's withdrawal from the Golan Heights. This seems to indicate that the parties are closer to an overall agreement than most observers believe.

For agreement to be reached, the two parties must resolve four sets of issues: Israel's commitment to withdraw within, or from, the Golan Heights; Syria's agreement to "normal" relations with Israel; security arrangements such as demilitarized zones, limited-forces zones, early warning facilities and the stationing of peacekeeping forces; and a timetable linking the stages of withdrawal, normalization and security arrangements.

Of these issues, Israel's commitment to withdraw from the Golan Heights and Syria's willingness to establish normal relations are the thorniest. Syria's position on Israeli withdrawal is clear: that Israel must withdraw to the 1967 borders, returning every square inch of the Golan Heights. For more than 25 years, Israelis have been led to regard control over the Golan Heights as essential to the security of the towns and villages in the northern part of their country. Therefore, Prime Minister Yitzhak Rabin has been reluctant to make the concession required by agreeing to withdraw to the pre-1967 frontier. He restricts his public statements on this matter to pledges that "the depth of Israel's withdrawal will be determined by the depth of peace."

For Israelis, the term "peace" implies the free flow of people, goods and services between countries. In their view, this type of peace has a security dimension as well. This is because any interruption of such relations would provide early warning of an escalating crisis, thus diminishing the danger of surprise attack.

More generally, Israelis regard a "people-to-people" peace as less reversible and hence more stable than a government-to-

government commitment to refrain from war.

But for Syria's president, Hafez Assad, such "normalization" is as sensitive as withdrawal is to Mr. Rabin. The reason for this is that the degree of transparency entailed is inconsistent with the nature of Mr. Assad's regime. He is terrified by what can be called a "Caesareus syndrome" — the fear that, as Romania's recent history illustrates, openness can lead very quickly to a repressive regime's demise.

So Mr. Assad has been reluctant to specify the extent of normalization that Syria would provide if Israel commits itself to complete withdrawal. Instead he restricts his public expressions regarding this issue by pledging "full peace for full withdrawal."

As a consequence of this double taboo, Israeli-Syrian discussions have increasingly centered on the security arrangements to be implemented in the Golan Heights after Israel's withdrawal.

The normal pattern for such negotiations calls for first resolving the central issues in dispute, in hope that other matters will later sort themselves out.

But Israeli-Syrian talks are increasingly focused on the secondary question — the shape and character of Golan security — as if the two central issues of withdrawal and normalization had already been resolved.

The explanation for the unusual nature of these talks may have two complementary parts. First, while inhibited from expressing agreement regarding withdrawal and normalization, both Mr. Rabin and Mr. Assad have become persuaded that a Syrian-Israeli accord will not be reached unless each accepts the other's central demand.

Mr. Rabin may now appreciate that Syria will not entertain peace except in exchange for Israel's complete withdrawal from the Golan Heights. And Mr. Assad may now understand that Mr. Rabin would not be able to promise withdrawal except in exchange for a Syrian pledge to normalize relations.

At the same time, Mr. Rabin may have accepted that normalization is inherently more fragile and reversible than withdrawal, and that, due to implications of normalization for the survival of Mr. Assad's regime, Syria will in any case renege on whatever

commitments it may make regarding this issue.

And Mr. Assad may have accepted that Israel deserves to be compensated for this asymmetry in the realm of security arrangements. The Syrians also hint at other possible compensations — primarily that an Israeli-Syrian agreement would allow rapid normalization between Israel and a large number of Gulf and North African states.

This points to the possibility that while negotiations regarding security arrangements are likely to be long and tough — focusing on the extent to which such arrangements would be applied in a balanced, reciprocal and symmetric fashion — the parties have already accepted each other's basic demands regarding the central issues at dispute. Thus, Mr. Rabin and Mr. Assad may be closer to reaching an Israeli-Syrian deal than most observers think.

The writer, a visiting fellow at the Washington Institute for Near East Policy, is on leave from Tel Aviv University's Jaffee Center for Strategic Studies. He contributed this comment to the *International Herald Tribune*.

Oil Is a Weapon That Americans, Too, Should Be Reluctant to Use

By Edward L. Morse

NEW YORK — Twenty-one years ago, when Arab oil-exporting countries boycotted sales to the United States, Israel and the Netherlands, America helped create the International Energy Agency, largely to prevent the oil weapon from being brandished against oil-consuming countries. That was good economics and wise foreign policy. It was also good for American business.

Today, in the aftermath of President Bill Clinton's executive order barring Conoco from going ahead with a \$1 billion contract to develop an Iranian oil field, the United States finds itself the leading exponent and practitioner of the oil weapon.

This is not only bad for business, it is silly economics and makes for a counterproductive foreign policy.

The successful embargo against Iraq since the Iraqi invasion of Kuwait created false expectations that embargoing oil-producing countries which are deemed to

be renegades can work whenever one of them runs afoul of America's interests. But oil sanctions should be used sparingly and with restraint.

In the case of Iraq, the arguments for an embargo were overwhelming after the invasion of Kuwait, especially since grabbing Saddam Hussein's key motives.

The boycott hurts Iraq more than any other conceivable action against it. But what have the sanctions against Libya and Iran achieved? When there is no hope of an international consensus for an embargo, the main victims of sanctions are U.S. businesses, not the embargoed nations.

Conoco, Occidental and other American firms have lost their assets in Libya because of U.S. sanctions, only to find such rivals as Italy's Agip, Spain's Repsol and

Germany's Wintershall filling the vacuum left to them by Washington's prohibitions. The same will be true in Iran when the Conoco contract is signed by a rival.

By imposing sanctions, Washington loses a major opportunity to engage the embargoed country in talks that might play not only to America's long-term advantage but would buttress U.S. foreign policy goals.

After its revolution in 1979, Iran nationalized foreign oil companies. Today, for want of capital, technology and trained personnel, Tehran is opening the doors wide to the re-entry of foreign companies. Washington should support such reopenings.

And not just because they are good for Big Oil. They are good for all of the economic and political values that the United States promotes to serve the larger objective of a more liberal, interconnected and open world in which engagement breeds interdependence, responsibility and accountability.

The United States should be dealing constructively with Libya and Iran, especially when U.S. refusal to respond to their gestures turns them into competitive American allies in Europe and Asia.

There seems little doubt that, Iraq aside, U.S. inability to convince allies to go along in imposing sanctions hurts the United States. Washington should pick its boycott targets carefully and weigh the consequences of having too many at once.

If America is so willing to use the oil weapon now, it should not be surprised if once again the weapon is used against the world's largest oil importer, with an unquenchable thirst for even more.

The writer, publisher of *Petroleum Intelligence Weekly*, a trade publication, was deputy assistant secretary of state for international energy policy under Presidents Jimmy Carter and Ronald Reagan. He contributed this comment to the *New York Times*.

What Did They Know About Mexico and When Did They Know It?

By Jim Hoagland

WASHINGTON — In his worst nightmares, I imagine, Larry Summers dreams of watching "Jeopardy!" and hearing the host say, "The answer is Larry Summers." Senator Alfonse D'Amato gleefully jabs his buzzer and shouts not one but two questions at Alex Trebek: "Who lost Mexico? Who lost the dollar?"

That scene is confined to nightmares for now. With a few lucky breaks, the Mexican rescue could yet be a success that enriches Mr. Summers's reputation as Treasury undersecretary for international affairs. Same for the dollar's steady, continuing devaluation: Mr. Summers could get some help on the greenback's long-term problems at this year's Group of Seven summit.

But the former Harvard economics professor is not home free on either of these problem areas. A few bad breaks on Mexico and a few more on the dollar, and he knows he will be the leading candidate for a mantle of shame like the one Republicans fastened on the 1950s for allegedly "losing" Chi-

na (even if China, or Mexico, is not America's to lose).

Political perils of this magnitude focus the mind and zip the lip in Washington. They can make officials as forgetful as Rosa Lopez on a bad day at the Simpson trial. So it is no surprise that Mr. Summers speaks carefully and sparsely these days.

In a recent conversation, he resolutely declined to say anything beyond boilerplate for the record. A few days earlier, when testifying before Mr. D'Amato's Senate Banking Committee, he had refused to say what he knew and when he knew it when asked about the deceitful financial practices of Mexico that led to the crisis in December.

Mr. Summers's parsimony with both information about the past and his views on the future, while understandable, is unfortunate on two levels.

First, it helps deepen a credibility gap on Mexico. If Mr. Summers and others in the administration did not feel they had a

duty to level with the public on Mexico last year, and do not feel they have such a duty now, even retroactively, how can the administration's new statements that Mexico's severe austerity plan will save the country be trusted?

Second, the thinking that guides Treasury's actions on Mexico is worth public exposure. It may be right, it may be wrong, but it is certainly worth the American public knowing why Washington has already sent \$5 billion to Mexico City to pay off Mexican debts, and promised up to \$15 billion more as part of a \$47 billion international rescue package.

Treasury thinking, as best I can piece it together, goes like this:

Mexico's financial collapse is a one-off, temporary problem. It is rooted in Latin America's boom and bust economic history and some unwise decisions by "hot money" artists seeking quick profits in Mexico. It is not rooted in a dangerous new volatility in global markets. Mexico's austerity program will stabilize the economy by the end of the year. U.S. loans of \$20 billion are a good investment, especially since Bill Clinton's willingness to bail out Mexico stopped a global meltdown in stock and currency markets.

Mexico, in the Treasury Department's view, is not a forerunner of a dangerous new era in the "big emerging markets" that the administration has identified as the key to America's economic future. It was a wreck caused by bad Mexican driving that had far greater consequences than could have been reasonably expected.

Mexico was driving 30 kilometers an hour above the speed limit. Treasury saw that and told the Mexicans to slow down. Instead they sped up and caused a 50-car

pileup. It will take a little time to clear the highway, but the road itself has not been badly damaged.

In his Senate testimony, Mr. Summers said he delivered the warnings about the speed limit privately last autumn. He told Mexican officials that they could not continue to spend foreign reserves to keep the peso at an unsustainable level.

Pressed to reveal to whom he was talking and about what, Mr. Summers refused to answer on national security grounds. Treasury officials refrain from saying things that would undermine confidence in another country's government or currency, he added.

That is a legitimate view in many circumstances. But Mexico is different. On Mexico, Mr.

Summers and others, including Federal Reserve Chairman Alan Greenspan, have implicitly acknowledged in their Senate testimony that they were aware that information the Mexican government was either suppressing or falsifying about the peso and reserves gave a misleading impression to the rest of the world. And yet they remained silent.

Mexico was too important — especially while the NAFTA treaty was debated — for the truth to be told then, or even now. That is the way credibility gaps begin. The Clinton administration risks a lot more than \$20 billion by trying to drop curtains over what was said and done in the past and what it sees as the future.

The Washington Post

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: Emperor Blamed

SHANGHAI — The Emperor gets his share of the blame for China's defeat, as it is the opinion of many of the older Chinese that His Majesty is too young to rule such a vast empire, and though he is intelligent and kind-hearted, he is badly advised. Certainly the change in the attitude of the people is most noticeable, for they no longer vaunt themselves of the prowess of their soldiers in the field. They seem resigned now to anything that may happen to their ill-governed country.

1920: Mapper Dies

PARIS — News reached Paris last night that General Laperrière, who left Algiers in an airplane early in February, to map out an aerial route to Timbuctoo, has been found dead 120 miles south of Timbuctoo. Sergeant-Major Bernard,

pilot of General Laperrière's machine, and Wassein, the mechanic, were alive, but each had reached the end of his strength. The airplane had capsized.

1945: Spanish Claimant

BERN — Don Juan, claimant to the Spanish throne, has formally called upon General Francisco Franco to put an end to Spain's totalitarian regime to permit the restoration of a constitutional monarchy. It was learned here today (March 22) that Don Juan's summons to General Franco to relinquish power was contained in a manifesto which was handed to the Spanish Minister here for transmission to the Caudillo directly. "I incite no one to rebellion," Don Juan's manifesto said, "but I would wish to remind those who support the existing political regime of the tremendous responsibility that they incur."



International Herald Tribune
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OPINION/LETTERS

Beneath the Dignity
Of a U.S. President

By Edwin M. Yoder Jr.

WASHINGTON — The Irish Republican Army and its political front, Sinn Féin, have campaigned for a quarter of a century to persuade Americans that Northern Ireland is not an integral part of the United Kingdom but an occupied territory, oppressed by the British army.

That mendacious campaign gained no real headway until the Clinton White House, for reasons as yet unclear, volunteered its help.

President Bill Clinton has now doubled his bet as the most noteworthy trans-Atlantic patron of the IRA-Sinn Féin cause. He welcomed Gerry Adams, the Sinn Féin leader, to a St. Patrick's Day fete at the White House last week and even permitted Mr. Adams to pass the hat to American contributors.

This reversal of policy effectively cancels an effort of many

years by responsible Irish-Americans — notably the late speaker of the House, Thomas O'Neill — to shut down the flow of American money to IRA terrorists.

Mr. Adams disclaims complicity in terrorism. He and his organization, and the IRA, are waging a peace campaign reminiscent of the peace campaigns that periodically interrupted the normal hostilities of the Cold War. The British government, which is conducting level negotiations with Sinn Féin, now at a delicate stage, insists that the IRA must disarm. Mr. Adams claims to have no control over the IRA's huge illegal arsenal.

That may be so. But if he is a front man merely, what is the point of lionizing him at the White House and on Capitol Hill and making him the focus of a middlesome U.S. intervention in the internal affairs of Britain?

Mr. Adams' hands may be as spotless of innocent blood as he claims. But he is the acknowledged political liaison and spokesman of terrorists notable for their blood lust.

Lest it be forgotten, IRA terrorism in the past has not been limited to the killing of innocent civilians and of British soldiers on unwelcome garrison duty in Ulster, which is atrocious enough. They murdered

the queen's uncle, Lord Mountbatten; and they tried to assassinate Prime Minister Margaret Thatcher and several of her cabinet ministers.

It would be statesmanlike to leave the ever explosive and tragic issue of Ulster to the parties intimately concerned — who, unlike President Clinton and his advisers, are in a position to assume full responsibility if their policies misfire.

So far as the record indicates, Sinn Féin and the IRA have no more renounced their main objective than their arsenal. It is to detach the six counties of Northern Ireland, by force, from the United Kingdom.

With the help and patronage of the president of the United States, they may yet manage to push Ireland into civil war.

For this is not a one-sided quarrel. The militant Protestant unionists are as bullheadedly set against disunion as the IRA is for it, and they also are well-armed. Should the British government's resolution to keep the communal peace in Northern Ireland falter, there is tinder for a nasty conflict. If it breaks out, it will be too late for feeble apologies from Washington.

That is why Prime Minister John Major regards it as unneighborly for the Clinton administration to lionize Mr. Adams and permit him to tap American money sources.

Mr. Major was so incensed that he refused to return President Clinton's mollifying telephone call. When he did finally return it, his spokesman gave a stiff account of what was said. The Clinton administration has managed the unpleasant feat of bringing British-American cordiality to its lowest point since the Suez crisis in 1956.

Americans tend to romanticize Ireland and find it difficult to grasp the inwardness of the Ulster issue. Let us try a rough analogy. Suppose that a terrorist insurgency were afoot in Hawaii, with the aim of detaching the islands from the United States.

And suppose that the Japanese government were coddling the front men of the terrorists, in part for domestic political reasons, because they were of ethnic Japanese descent, winning and dining them in Tokyo and allowing them to pass the hat. The United States would take grave exception. But that is very close to the role President Clinton has chosen in the Irish question.

When the mayors of big cities with large Irish-American populations played this game in the old days it could be ignored as a manifestation of provincial ethnic politics. It remains exactly that. What has changed is that the game used to be beneath the dignity of a president.

Washington Post Writers Group.



Remember, It's About Dreams

By Tom Clancy

BALTIMORE — My dad died two weeks ago. He had his first stroke in November 1993. It was followed by others, and the final event was more a liberation than a loss. Except for one thing: I never got to take my dad to a baseball game. Oh, he took me to ten enough. I well remember the April day in 1954 when the Baltimore

To play ball professionally was his dream. He played in the 1930s on the same amateur team with John Steadman, dean of Baltimore's sports reporters, but though Dad had talent, circumstances didn't allow fulfillment of that dream. Marriage and a child and a war got in the way.

I guess he found part of that dream in coaching kids. Surely he never found it in me. A nerd before the status was dignified by a title. I was pretty fair with a glove but hopeless with a bat.

Dad was a good coach for kids. He never yelled at them. A little emphasis, perhaps, but he never screamed or bellowed because you need a good reason to yell at a kid and dropping a baseball isn't one of them. For my father, baseball was just one of those pleasant things in life, a game to be enjoyed for its inherent beauty.

Almost two years ago, Peter Angelos and I and a few friends bought a team: the same Orioles who arrived when I was in first grade. But by the time we started our first season, Dad had suffered several strokes, and I never had the chance even to wheel him into my box. I'll regret that to my last breath.

But there is more missing than that. There is some sort of unwritten covenant between those who own and play and those who come and watch, and that covenant has been broken.

Like most important things, baseball is something of the mind. It's a dream. If baseball is a thing of the mind, it would be well to remember that dreams can become nightmares from which people awaken and flee.

Baseball does not exist in a vacuum. It serves the fans, and somehow the fans have been forgotten. We need them more than they need us. The fans expect to see their game, to see their heroes play it and to see common sense break out after months of divisive nonsense. It's their money that supports all of us.

I cannot help but think that fate denied me a chance to take Dad to a game. It is well to remember that there are many more dads and many more sons who have the same wish, and it is not our place as owners or as players to deny dreams to others.

Baseball is probably the most tactically intricate of team sports because it depends upon a vast set of interlocking variables. Baseball may also be the last place where we can find real sportsmanship. The other team can make a good play, win the game and still the fans will show some appreciation.

And without the people who show that appreciation, the people who buy the tickets and eat the hot dogs, the people who bring their sons to demonstrate how the game is played, the owners and players are nothing.

Because I am a part owner of a team, people speculate on my feelings about the strike, but what it comes down to is simple. Fans may come to support their home team, or to see some special players of another team, but they really come to see the game, and if they stop coming both owners and players will have to find other things to do.

The writer, whose most recent novel is "Debt of Honor," contributed this column to The New York Times.

MEANWHILE

Orioles — formerly the St. Louis Browns — paraded down Charles Street while sitting on the back decks of convertibles and tossing out plastic balls. My mom threw them away.

And I remember a night game, probably that very year, when we watched Ted Williams with his perfect swing plant one in the right-field seats. It must have been late in the game because Dad said, "That's what we came to see," and led me by the hand out to the car.

Dad loved to coach Little League baseball. Many was the time he crammed an unlikely number of kids into our 1953 Chevy for the trek to some school yard or vacant lot for a few hours of practice, the bats and balls in his sea bag, left over from service in World War II.

LETTERS TO THE EDITOR

Apology Is in Order

I am upset and embarrassed by the statement of the Japanese legislator Sanze Takaichi (Asian Voice, March 17), who said that she saw no reason to repent for atrocities during World War II. It is well known that Japan caused tremendous damage in neighboring countries during the war. It is not relevant whether one was of the generation that was forced to participate in the war.

In addition to agreed compensation, it is necessary to acknowledge historical responsibility. The legislator's statement is not based on any consideration of the likely response from the offended neighboring countries. Her status will contribute to an impression that in this

matter she represents the opinion of the Japanese public.

This is upsetting to those of us who are not of the wartime generation and do not share her opinion.

J. K. IWASAKI, London.

Iraq and the Sanctions

International pressure is building to lift the United Nations sanctions against Iraq by year's end. An Iraqi capability for biological warfare was specifically addressed as inappropriate in the sanctions, and verifying the lack of such a capability is, according to Rolf Ekeus, the UN commissioner in charge of inspections, the remaining impediment to their removal.

Lobbying on Iraq's behalf extends well beyond its borders. Russia, France, the United Arab Emirates and Jordan have rallied to the cause.

Russia was permitted a leadership role in writing last summer's UN biological warfare report, essentially stating that Iraq then lacked a biological warfare capability. Hard evidence suggests, to the contrary, a continuing Iraqi capability.

Evidently, the yardstick used by UN inspectors was the absence of evidence that stringent American standards were used in the handling of biological materials in Iraq. The issue may be finessed in the final report of the United Nations.

In that case, Iraq will continue to pose an unacceptable threat to the region. Further,

biologicals are eminently exportable. They are extremely stealthy, difficult to link to source and unpredictable when used.

All necessary preparatory measures anticipating the tactical or strategic release of these weapons must be taken, augmenting as rapidly as possible the considerable medical capability now available in the Middle East and including rapid access to as many assets around the globe as will be necessary to counter this threat.

WILSON F. ENGEL JR., Newport News, Virginia.

A Guest of Clinton's

The leaderless and unprincipled civilized world sinks ever deeper into the morass of double standards. Now, although he refuses to meet the Dalai Lama, the spiritual leader of the world's most oppressed nation, President Bill Clinton gives red carpet treatment to Gerry Adams, a man with close connections to a band of murderous thugs. And the European Union, while doing nothing about the even more

thuggish behavior of China and Serbia, reacts to Canada's attempts to protect its fishing industry with unparalleled viciousness.

Then again, it's not really a question of double standards. There just aren't any standards left at all.

NORMAN SANDERS, Drammen, Norway.

On May 8th, the IHT will publish a Special Report on

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GOVERNMENT OF INDIA

NOTICE INVITING OFFERS

FOR

JOINT VENTURE

EXPLORATION PROGRAMME

FOR

OIL AND NATURAL GAS

1995

ANNOUNCEMENT

The Government of India announces the Joint Venture Exploration Programme for oil and natural gas. Companies are invited to bid for the exploration blocks on offer. A total of 28 blocks are on offer (23 of these blocks are under license to ONGC and 5 to OIL), with 18 of them being onshore and 10 offshore. Companies may bid for one or more blocks, singly or in association with other companies. The successful company/ consortium would form an unincorporated Joint Venture with ONGC or OIL.

CONTRACT FEATURES

Production-sharing contracts would be entered into by the Joint Venture with the Government of India. Attractive terms are offered under these contracts, including:

- ◆ Sharing of risk by ONGC/OIL in the Joint Venture from the date of signing of the Contract with participating interest of between 25% and 40%.
- ◆ The possibility of a seismic option in the first phase of the exploration period.
- ◆ No minimum expenditure commitment during the exploration period.
- ◆ No signature or production bonus.
- ◆ No royalty/cess payment.
- ◆ Progressive fiscal regime with sharing of profit petroleum being tied to the post-tax profitability of the Joint Venture.
- ◆ No ring fencing of blocks for corporate tax purposes.
- ◆ Freedom to Joint Venture for marketing gas.
- ◆ Purchase of the Joint Venture's share of oil at international price.
- ◆ Provision for assignment.
- ◆ Provision for international arbitration.

BID ITEMS

Companies would be required to bid for:

- ◆ Percentage participating interest proposed to be held by the company/ companies in each block;
- ◆ Total length of exploration period, number of phases in exploration period and minimum work commitment in each of the phases;
- ◆ Profit petroleum shares expected by the Joint Venture at various levels of rate of return or multiples of investment recovered;
- ◆ Percentage of annual production expected to be allocated towards cost recovery.

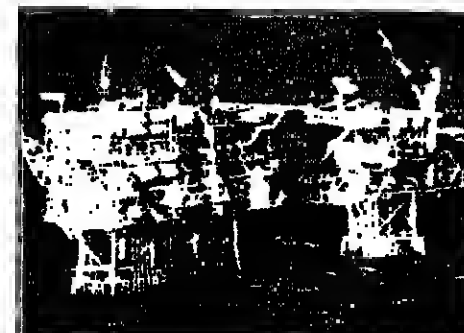
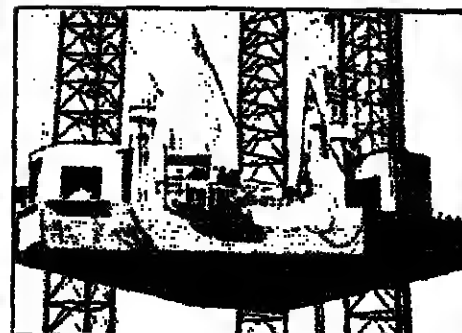
INFORMATION AVAILABILITY

A brochure giving details of the blocks offered, their geographical location on a map of India and the contract terms will be made available free of cost to companies.

To enable companies to assess the geological prospects of the blocks on offer, information docket and data packages are available on sale. Separate information docket on each basin are available, containing information on regional and local geology and the current status of exploratory activities in the blocks in each basin. The data packages contain seismic sections, gravity and magnetic anomaly maps, wireline logs and structure contour maps etc. and have been prepared for most of the blocks. A bid format indicating the information that would need to be provided while submitting the bid will also be made available free of cost to interested companies.

Companies interested in inspection and purchase of information docket and data packages and in obtaining the bid format as also further details may contact:

Mr. R.N. Desai
Head, EXCOM Group
Oil and Natural Gas Corporation Ltd.
Upper Ground Floor, GAIL Building
16 Bhikaji Cama Place, New Delhi-110066 (INDIA)
Telephone : (91-11) 602703/602351/6888405
Facsimile : (91-11) 6882798/3316413



Bids should be submitted in sealed envelopes superscribed "Confidential" "Joint Venture Exploration Programme (1995)" not later than 1500 hours IST on Friday, 15th September, 1995, to:

Mr. Neelam Jung
Joint Secretary (Exploration)
Ministry of Petroleum & Natural Gas
211 'A' Wing, 2nd Floor, Shastri Bhavan, Dr. Rajendra Prasad Road, New Delhi - 110001 (INDIA)

INTERNATIONAL

Belgian Minister Resigns in Scandal

Foreign Chief's Action Puts New Pressure on NATO Chief

Compiled by Our Staff From Dispatches

BRUSSELS - Foreign Minister Frank Vandenhroucke of Belgium resigned Wednesday, after admitting he knew about a secret fund held by his party in the 1980s and early 1990s.

A statement from the royal palace said King Albert had accepted the resignation of Mr. Vandenhroucke, who was also deputy prime minister.

The resignation seemed likely to increase pressure on the NATO secretary-general, Willy Claes, who was economics minister and a high official in Mr. Vandenhroucke's Flemish Socialist Party at the time.

Mr. Vandenhroucke recently admitted having been aware that the Italian defense company Agusta had offered a "gift" to his Flemish Socialist Party. Belgium bought 46 army helicopters from Agusta in 1988.

On Wednesday, he confirmed reports that he had known about the secret party fund. But Mr. Vandenhroucke, who was party leader at the time, said he had ordered the incineration of the cash, reportedly 6 million Belgian francs (more than \$200,000), in 1991, to comply with laws on financing political parties.

He said party officials, un-

known to him, ignored his order to burn the money.

Analysts said this development would make it harder for Mr. Claes to remain above the scandal.

If Mr. Vandenhroucke, who became party president in 1989, knew of the illegal fund, they said, then it would be hard for Mr. Claes, who was economics minister at the time and a veteran senior official in the Flemish Socialist Party, to say he knew nothing about it.

Mr. Claes has consistently denied having any knowledge of corruption and he has been consistently backed by NATO ambassadors.

Mr. Vandenhroucke, 38, became foreign minister last year, succeeding Mr. Claes.

Etienne Mange, who was the party's treasurer in 1991, is in custody in connection with charges the Flemish Socialist Party pocketed kickbacks from firms that won contracts for Belgium's armed forces in the late 1980s.

Mr. Vandenhroucke admitted last month that Mr. Mange had informed him, Mr. Claes and Louis Tothack, then interior minister, in January 1989 of Agusta's cash offer weeks after the group had won the \$225-million helicopter contract.



Foreign Minister Vandenhroucke fielding reporters' questions Wednesday on the fund.

On Wednesday, Mr. Vandenhroucke insisted that the money in the safe-deposit box "does not point to bribes." He said, "It points to a system that I wanted no part of." He said he assumed the money was part of the "legacy of the 1980s," when

Belgium had no laws regulating financing of political parties. In 1992, Belgium passed a law, co-written by Mr. Vandenhroucke, to govern party fund raising. Asked why he did not report the safe-deposit box to the judi-

ciary, he said, "I did not want to start an inquiry into the past of the Socialist Party." "I do not know how the money was obtained nor do I know how much money was in the deposit box," he said. (Reuters, AP, AFP)

Villagers Troubled by Sect

Strange Behavior Left Residents Fearful

By Paul Blustein
Washington Post Service

KAMIKUSHIKI, Japan — Shocked as he was, Katsumori Nozawa was not entirely surprised when the police raided buildings belonging to the Supreme Truth religious group near his dairy farm Wednesday and discovered suspicious chemicals as well as several dozen severely malnourished people inside.

After all, Mr. Nozawa and his neighbors had experienced some disturbing run-ins with the sect ever since it began erecting facilities six years ago in this village of 1,800, nestled below Mount Fuji.

Shortly after they arrived, members of the Buddhist group made a practice of jotting down license plate numbers of village residents' cars, Mr. Nozawa recalled, and they also snapped photos of villagers who passed them in the street or who wandered close to their property.

Last July, after a couple of local residents became frightened by a strong odor apparently emanating from an cult facility, the sect would not allow the authorities to investigate. And in January, it cited a local fertilizer company, among others,

for "attempted murder," alleging that sect members were the target of poison gas sprayed by the U.S. and Japanese military from helicopters and airplanes.

For Mr. Nozawa, head of a 15-member "Supreme Truth" countermeasures committee that opposes the sect's activities, it is easy to imagine that such a group might have executed Monday's poison gas attacks on subway riders in Tokyo, even though evidence of the group's involvement appears to be purely circumstantial.

The police evidently share Mr. Nozawa's suspicion. Many of the investigators entering the sect's premises wore gas masks.

"I always thought that if they were really pushed into a corner — well, I thought they might do anything," said Mr. Nozawa, 69.

The sect, headed by a 40-year-old named Shoko Asahara, bought land and began building facilities in Kamikushiki in 1989 after leaving a town in southwestern Japan where it had repeatedly clashed with local residents. Over the years the group has erected about two-dozen buildings around the village, used mostly for training of new members.

The construction, according to Mr. Nozawa, was done by sect members themselves behind a three-meter (10-foot) wall. When locals caught glimpses of what was going on, "we saw these power shovels, digging very, very deep holes," Mr. Nozawa said. "We felt quite anxious, even fearful."

By mid-1990, Nozawa had seen enough to form the "countermeasures group." "They don't try to proselytize those of us who live here," Mr. Nozawa said. "For them, we are just lay people, people of the real world, while they consider themselves holy people."

The incident in which local people detected a strong odor coming from a sect building occurred two weeks after the June 27, 1994, mysterious deaths of seven people from poison gas inhalation in the central Japanese city of Matsumoto. The odor dissipated before police arrived, and the next day the cult refused entry to police and health department inspectors.

Then, on Jan. 1, 1995, a Japanese newspaper reported that byproducts of sarin, a deadly nerve gas that had killed the seven in Matsumoto, and which would later be used in the Tokyo subway attacks, had been found in Kamikushiki.

players, Jacques Glassmann, reported the alleged bribe and some 240,000 francs found buried in a garden was later traced to one of his teammates, Christophe Robert.

The prosecution has asked for suspended prison sentences against Mr. Robert and his wife, against another former Valenciennes player, Jorge Buruchaga, against the Marseille player alleged to have handed over the money, Jean-Jacques Eydelie, and against the ex-director-general of Olympique Marseille, Jean-Pierre Bernes.

For nearly two years, Mr. Bernes had kept silent, saying that he feared the Tapie-dominated milieu in Marseille. But during the trial, saying it was "time to tell the truth," he accused Mr. Tapie of organizing the bribe during a meeting aboard his yacht, the Phocée.

That four-masted floating palace, now tied up at an isolated dock in Marseille, threatens further complications for the flamboyant politician. In a judgment handed down March 15 and reported on Wednesday, the Court of Appeal in Paris ruled that Mr. Tapie must face trial for the allegedly fraudulent operation of the yacht.

An investigating magistrate said Mr. Tapie registered the Phocée as a commercial vessel while using it only for pleasure cruises.

TAPIE: Sentencing Is Awaited

Continued from Page 1

cutor, Eric de Montgolfier, who asked for 18 months in prison for Mr. Tapie, with at least six months actually spent behind bars.

Mr. de Montgolfier, who said the affair illustrated a decade of easy money and false dreams in French soccer, called Mr. Tapie a "brilliant, inventive" man, talented but flawed. "You deserve better than the example you have given," he said.

The judge is due to issue his verdict on May 15, a week after the second round of the election for the French presidency, for which Mr. Tapie was once considered as a possible candidate.

The 52-year-old former minister of urban affairs, whose popular appeal won him nearly 12 percent of the vote in last year's European Parliament elections, also faces confirmation of a bankruptcy ruling on March 31, which will legally keep him out of French politics for the next five years.

Mr. Tapie was charged with offering 600,000 francs (\$120,000) to three players on the Valenciennes soccer team in May 1993 to go easy on the Olympique Marseille team, which he then owned. It was scheduled to play AC Milan six days later, and Mr. Tapie allegedly did not want his players to be tired or injured.

But one of the Valenciennes

crises.

TV: In About-Face, European Commission Votes to Protect TV Production

Continued from Page 1

ence on the information superhighway. "The commission has missed a historic opportunity to take a bold step toward a more open system that would benefit the European audiovisual industry," said Stuart Elzenstat, the U.S. ambassador to the union.

European commercial broadcasters and advertisers also have lobbied against quotas, although most filmmakers have campaigned to get them strengthened.

Wednesday's decision revealed surprisingly strong support for quotas within the commission, which approved the proposal by a vote of 13 to 4. The plan also has considerable support in the European Parliament, which must approve any legislation in tandem with EU ministers.

Mr. Orjega said the commission needed

to revise the current television directive, adopted in 1989, because the condition that quotas applied "where practicable" created great legal uncertainty. Britain has taken advantage of that phrase to license such broadcasters as Ted Turner's TNT and Rupert Murdoch's BSkyB, whose satellite programs to the Continent have angered France and Belgium.

Sir Leon Brittan, the trade commissioner, urged that the loophole be retained, but was supported by only six colleagues, sources at the commission said.

Several compromises proved critical to winning support in the commission, they added.

Mr. Orjega agreed to exclude future services like video-on-demand from the proposal at the behest of Martin Bangemann, the commissioner for industry, who feared

that quotas would deter the investment needed to develop those services.

Mr. Orjega also agreed that the quotas would expire after 10 years, a nod to those who feared that protection might become permanent.

And France's two commissioners, Yves Thibault de Silguy and Mrs. Cresson, dropped their demand that quotas be tightened further by restricting the type of productions covered. Paris has pushed for quotas to be applied only to fiction and documentaries, to prevent television stations from airing local talk and game shows while buying American drama series.

In addition, the proposal would allow movie channels and other so-called thematic stations to ignore the broadcast quota if they put 25 percent of their programming budgets into European productions.

Saddam's Son Said Wounded

The Associated Press

AMMAN, Jordan — The eldest son of Saddam Hussein, the Iraqi leader, was being treated Wednesday in a hospital here for gunshot wounds he reportedly suffered in an assassination attempt last week.

Sources said Uday Hussein, 31, underwent surgery Monday at the King Hussein Medical Center, and that he was in the hospital's intensive care unit.

Two Iraqis who generally have reliable information on Mr. Saddam's family, said Uday Hussein had been shot in the neck and the abdomen.

Last Thursday, Kurdish rebels said Uday Hussein was wounded in a Baghdad shooting, and there were reports of unrest and military moves across Iraq.

The assassination attempt occurred between March 14 and 16, according to a radio station run by the Patriotic Union of Kurdistan, one of the main Kurdish factions opposed to Mr. Saddam. Uday Hussein apparently was shot by several gunmen in a Baghdad ambush. There was no confirmation of the attack by independent sources and Baghdad has made no official comment.

POISON: Raids on Cult

Continued from Page 1

sarin outside the compound. The raids on the Aum Shinrikyo offices had been anticipated. Police arrived at the sites during the night several hours before the raids began. The 25 offices around Japan communicate by electronic mail, and Japanese newspapers said that the headquarters had sent an E-mail message at 1 A.M. warning that raids were imminent and ordering members not to fight the police.

The nominal reason for the raids was to search for evidence in the kidnapping of Kiyoshi Kariya, a 68-year-old Tokyo man. Mr. Kariya's sister was a sect member who reportedly was trying to leave. As a condition of allowing her departure, she was ordered by the sect to donate a building she owned, according to Japanese media reports.

Mr. Kariya strongly objected to the proposed donation, and he was abducted.

A Strong Quake Rattles Tokyo

Reuters

TOKYO — A strong earthquake shook homes and office buildings in Tokyo early Thursday, but no immediate damage or casualties were apparent, witnesses said.

The Meteorological Agency said the tremor had a magnitude of 4.6 on the open-ended Richter scale. Its epicenter was located 50 kilometers (30 miles) beneath the earth's surface in Ibaraki Prefecture, northeast of Tokyo.

The public television station NHK said there was no danger of tidal waves. Bullet train services connecting Tokyo with northern Japan were halted for checks.

V-J Day It Was, and It Still Is

Reuters

WASHINGTON — The White House on Wednesday denied reports that it was trying to change the name of Victory Over Japan Day ceremonies next September to avoid antagonizing Japan.

The official name of the commemoration, which is being planned for September, is the V-J Day, end of the war in the Pacific, end of World War II. The White House spokesman, Mike McCurry, said, "It's called V-J Day. That's what it is." He said the question of whether to refer to V-J Day may have originated in the U.S. Embassy in Japan and that it was possible the embassy avoided using the term.

SONY: Dark Horse Gets President's Job, as Firm Sticks to Its New Pursuits

Continued from Page 1

considerable sentiment within Sony that the company needs an engineer at the helm and that the company's core technical strength had deteriorated under Mr. Ohga, a former opera singer who was hired by Sony after he criticized the quality of its tape recorders.

But Mr. Morio apparently was judged not to have the broad, international experience required to head a company that gets about 70 percent of its revenue from outside Japan and enters numerous alliances with American companies.

In any case, in a choice between returning to its technical roots and continuing to

plunge into new businesses, the new won out.

"I see it as a real confirmation that we're into the information, entertainment and software businesses for good," one Sony employee said. "The new course is not going to be set by guys that spent their whole career in the hardware business."

But there is little in Mr. Idei's résumé to suggest why he was deemed the ideal man to head a software business. His main qualification for president seems to be that he has served in many different positions at Sony and can thus understand the breadth of the company.

Mr. Idei speaks both English and

French. He spent nine years in Europe, served in the audio group, the video group, the computer division, advertising, and public relations. He was one of the first of Sony's senior managers to use electronic mail, and he plays video games on the PlayStation.

But company officials were unable to point out any particular big products with which Mr. Idei is identified, as Mr. Morio is with the 8mm camcorder. That made some analysts question the decision.

"It's not what you'd expect a major Japanese company to do, and I don't know why they have done it," said Peter Rawle, an independent electronics analyst in Tokyo.

REACTOR: Vote on Finishing Slovak Plant Stirs Debate Across Europe

Continued from Page 1

make Mochovce a dubious risk for the bank, critics say.

But bank officials, armed with 1,000 pages of documents to press the case for Mochovce, counter that it is unrealistic to expect a financially pressed country like Slovakia to walk away from a venture that is 90 percent complete and, they say, the most cost-efficient option.

Bank officials balk at the notion that the vote on Mochovce will lay the groundwork for financing of other Soviet-designed plants. But if safety is the paramount concern, they say, giving up on Mochovce spells trouble.

While Mochovce lies dormant, Slovakia continues to rely on older and more dangerous reactors at nearby Bohunice. Slovak officials promise as part of the loan agreement to close those reactors once Mochovce can go into service, bank officials said.

"The idea that Western technology cannot be mixed with Eastern technology is pure rubbish," said Alain Pilloux, the senior banker responsible for the Mochovce

project. "The environmental groups understand perfectly that this is a safety improvement project. What they cannot accept is the thought of another nuclear project."

In the former Czechoslovakia, coal-fired plants supplied more than half the electricity needs. Today, the separate nations each operate nuclear plants — Bohunice in Slovakia and one in the Czech Republic known as Dukovany — and each has one unfinished plant under contract with Western firms.

Mochovce is to be retrofitted by the French utility, Electricité de France. In the Czech Republic, Westinghouse Electric Corp. has been contracted to upgrade and complete a plant in Temelin in southern Bohemia.

Two other unfinished plants are waiting in Bulgaria, six in Ukraine and 12 others in Russia, according to the International Atomic Energy Agency.

The unusual proposed financing of the Mochovce plant — about 30 percent of the \$880 million needed would come from the European Bank — opened the project to an unprecedented public review.

Austria, which has no nuclear plants and has argued strongly if unsuccessfully against the rebuilding of Temelin in the Czech Republic, spearheaded the campaign to stop the Slovak plant and repeated its objections at hearings in Bratislava and Budapest.

In the past month, it repeated an unappealing bid to Slovakia by offering \$50 million to convert the plant to a gas-fired operation. Slovakia did not bite.

But Austria's arguments as well as new analysis sponsored by Greenpeace International made sense to the European Parliament, which asked for a review.

The analysis, by Oeko-Institut in Germany, raised questions about the cost efficiency cited by the European Bank and debated the figures the bank used.

The bank's chairman, Jacques de Larosière, met last week in Washington with American officials and discussed the proposal. The departments of Energy and Treasury have voiced objections to the loan although the State Department has indicated support.

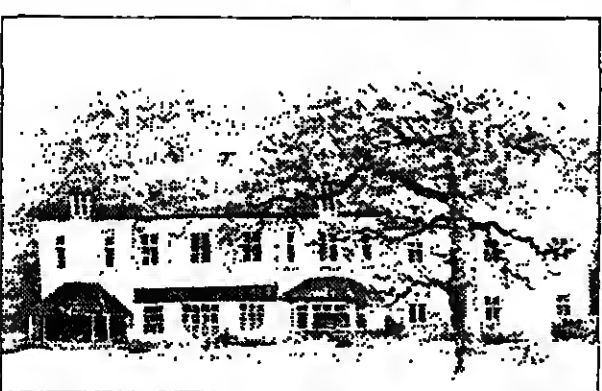
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- 4 CERAN JUNIOR, Ferrières, Belgium. French, English.
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RULES & REGULATIONS:

- 1 This prize does not include transportation.
- 2 Prize valid until December 15, 1995.
- 3 Entries will not be accepted from staff and families of the IHT newspaper, CERAN, its agents and subsidiaries.
- 4 Valid only where legal. No purchase necessary.
- 5 Maximum prize for one week is a course to a value of \$U.S. 1700.
- 6 No correspondence will be entered into. Proof of postage will not be accepted as proof of receipt.
- 7 No cash alternative to prizes.
- 8 Winners will be drawn on April 14th and published thereafter in the newspaper.
- 9 On all matters, the editor's decision is final.
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THE WORLD'S DAILY NEWSPAPER



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HEALTH / SCIENCE

Consciousness: How the Brain Turns Fragments Into Images

By Sandra Blakeslee
New York Times Service

NEW YORK — For scientists who study the human brain, even its simplest act of perception is an event of astonishing intricacy. Consider this: It is a beautiful spring day and you are walking down a country lane, absorbed in thought. Birds are chirping, roses are in bloom and the sun feels warm on your face. Suddenly, you hear a dog bark and you switch your attention to seeing whether the animal means to bite.

Years of research have shown that the brain absorbs a scene like this by carving it into components and analyzing each chunk of information along separate pathways. As the eyes gaze at the rose, it is not the whole image of the rose that is transmitted to the brain. Instead, something very puzzling takes place. The nerve cells in the retina immediately break down the image into separate components, like its contours, textures and colors. As the ear hears birds chirping, separate cells respond to each frequency while others compute the direction and intensity of the sound. Cells in the skin that respond to warmth channel their input to yet another part of the brain.

Each population of sensory cells, from the eye, ear, nose and skin, sends its information to its home area on the outer surface of the brain, a thin, deeply furrowed sheet of cells known as the cerebral cortex.

The sensations of one instant of a spring morning have thus become represented by millions of activated cells in many different regions of the cortex. That much is known. A still baffling question for scientists is, how does the brain bind these pieces of information into a single coherent image? The nature of the reassembly process, known as the binding problem, is intimately related to the age-old question of consciousness.

The first step to understanding, brain scientists say, is to realize that there is no Cinemascope screen in the brain where all the pieces come together. But if there is no screen, on what physical principle is consciousness organized? A growing number of scientists say the answer must lie in some form of timing. An image may be reconstructed from all cells that are firing in a particular rhythm at a particular instant.

Recent experiments have shown that precise timing codes are the brain's primary organizing principle, at least at the level of individual neurons, among specialized

groups of neurons and across different parts of the brain.

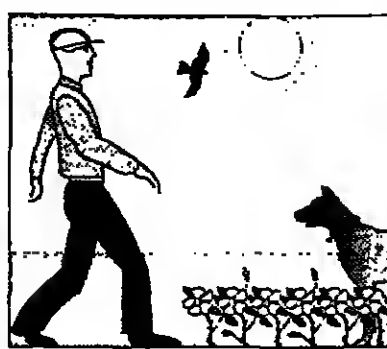
But exactly how the timing codes work is a matter of vigorous debate. "Cells do carry information by virtue of the fact that they are firing at the same time," said Dr. Nancy Kopell, a biologist at Brandeis University in Waltham, Massachusetts, who studies how creatures move. "But what this means for function is unclear."

Efforts to understand how the brain uses time are forging ahead, said Dr. Christof Koch, a neuroscientist at the California Institute of Technology in Pasadena who is a leading theorist on the nature of human consciousness. The challenge is to construct theories "firmly based on nerve cells, their firing properties and their anatomical connections," he said. The brain may have evolved different binding solutions for different levels of organization.

The search for timing codes gets more speculative at the level of cell populations, Dr. Koch said. The basic idea is that cells involved in forming a perception will fire simultaneously, thus binding together in time rather than space. Every perception would be based on the temporary activation of an ensemble of neurons, he said. When a new perception is formed, the previous ensemble falls away and a new grouping of neurons fires, forming a new perception. Single neurons can participate in the representation of many things, depending on the ensembles they join in any one instant.

At the University of California at Davis, Dr. Charles Gray is recording the electrical activity of brain cells in different parts of the monkey visual system. There is a growing amount of evidence that cells fire in synchrony, he said. The problem is knowing if such synchrony is related to behavior — something no one has yet proved.

AND even if cells fire synchronously, which cells are they? Is there something special about them? Dr. Gyorgy Buzsáki, a neuroscientist at Rutgers University in Newark, New Jersey, thinks there is. He has found that a class of cells called inhibitory interneurons have a tendency to fire in a wave-like pattern. From the way they are distributed in the brain, these neurons could perform a binding function, he said. "You can compare it to traffic control in New York City," Dr. Buzsáki said. "Say you have an imaging device that looks at 5,000 vehicles — cars, trucks, taxis, bicycles — all moving together in chunks. You'd like to figure out how they interact to achieve this togetherness. One answer is traffic lights."



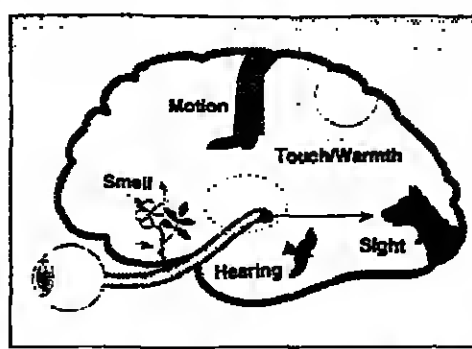
1 A springtime stroller is aware simultaneously of sights, sounds, smells, warmth on the skin, and the body's own motions. But the eye and other senses do not transmit whole images like a camera. Instead, the nerve cells of the retina respond to features like color, contrast, shape and motion. It is these fragmented pieces of information that are processed in parallel and passed to the brain.

Like traffic lights, interneurons are rhythmic and well coordinated and could control the flow of cognition. When interneurons are damaged, he said, the result is epilepsy — a storm of uncoordinated electrical activity in the brain.

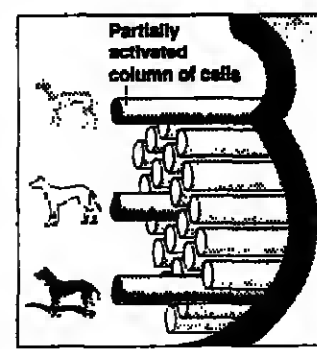
Different brain regions may have evolved their own temporal binding codes, said Dr. Rodolfo Llinás, a professor of neuroscience at New York University. The motor system is a good example. The cerebellum is a structure that coordinates movements, relaying a barrage of signals from higher brain regions where decisions are made to the muscles. How is this coordination achieved?

The brain stem contains a nucleus of cells that burst at a rate of 10 cycles per second. These cells, inferior olivary neurons, send long fibers up to the cerebellum, where they make dense connections, thus amplifying their signals. Information flowing into the cerebellum is regulated by these bursting cells, making sure that movements only occur 10 times a second, Llinás said. The oscillation literally binds brain commands with muscle movements.

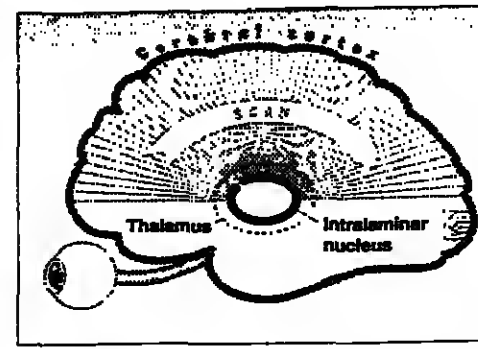
"This means we move in a noncontinuous manner," Dr. Llinás said. "No one can move faster than 10 times a second because that is the normal frequency we all have. We have the impression of fluidity of motion because it all happens so fast."



2 The streams of sensory data go first to relay stations in a central brain structure called the thalamus, and then to the cerebral cortex, the thin, pleated layer of cells that covers the outer surface of the brain. Each sense has its own relay station and its own area of the cortex. At each moment the cortex contains groups of activated cells that register data from all the senses. But the data are spread out all across the cortex. How are they brought together in a single image? This is the central question known to brain scientists as the "binding problem."

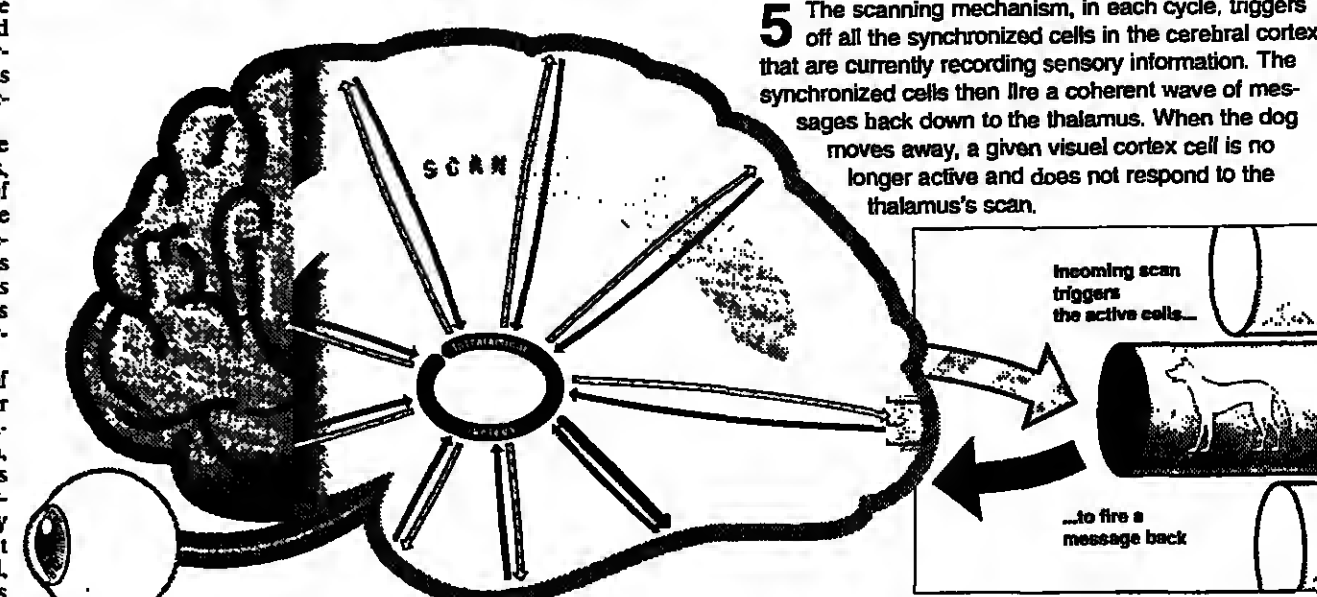


3 The cells in the visual cortex are organized in columns that do further processing of the visual information. Each column may correspond to one element in one part of the visual field, like the orientation of a line. The cells holding visual and other information are coordinated and synchronized by the thalamus into a similar rhythm of electrical activity.



4 According to a theory of Dr. Rodolfo Llinás, the brain has a scanning system that sweeps across all areas of the cerebral cortex every 12.5 thousandths of a second. The scan takes the form of a wave of nerve impulses sent out from the thalamus, from a donut-shaped group of cells in the thalamus called the intralaminar nucleus.

Sources: Dr. Rodolfo Llinás, Dr. Urs Fibery
Illustration by Nigel Holmes for The New York Times



5 The scanning mechanism, in each cycle, triggers off all the synchronized cells in the cerebral cortex that are currently recording sensory information. The synchronized cells then fire a coherent wave of messages back down to the thalamus. When the dog moves away, a given visual cortex cell is no longer active and does not respond to the thalamus's scan.

6 All the responses received by the thalamus within one cycle of its scan are perceived in a single image, a single moment of consciousness. The images are created so fast that they appear continuous. The data from all the body's senses are bound together not in place — there is no screen in the brain, and no observer to watch it — but in time, the time of the thalamus's scanning cycle. Consciousness, by this theory, is the dialogue between the thalamus and the cerebral cortex, as modulated by the senses.

Scanning for Alzheimer's

New York Times Service

NEW YORK — A preliminary study has found that it may be possible to use brain scans to see signs of mental deterioration in people who are developing Alzheimer's disease, even though their symptoms will not become apparent for years.

The study, by Dr. Gary W. Small of the University of California at Los Angeles School of Medicine, Dr. Allen D. Roses of the Duke University School of Medicine and their colleagues, compared positron emission tomography, or PET, scans of the brains of 12 people at high risk of developing Alzheimer's disease with scans of 19 people whose risk was much lower. The subjects were in their 50s or older.

All had relatives with Alzheimer's disease and all had complained of mild memory problems. But those at high risk had inherited a gene, Apo-E4, that is associated with an increased risk of developing Alzheimer's disease.

The investigators report that the people with Apo-E4 genes, as a group, had brain changes that were suggestive of the more pronounced changes seen in patients with Alzheimer's. In particular, the parietal region of the outer layer of their brains, associated with such things as the ability to read a map or hunch clothing, was less active. But the PET scan data from the patients at risk for Alzheimer's and those not at risk overlapped to such an extent that investigators could not de-

fine a cutoff point at which they could say that a particular scan was predictive of Alzheimer's.

They said that their results need to be confirmed in larger studies and that the patients need to be followed to determine whether those whose brain scans were troubling actually developed Alzheimer's disease.

A paper describing the results was published Wednesday in *The Journal of the American Medical Association*. "It's unlikely that any new treatment will reverse brain damage once it's there," Dr. Small said. "It's more likely that treatments will slow down or halt disease progress. So we want to target people with early disease."

Gina Kolata

Surgery for Parkinson's Can Be Risky

By Gina Kolata
New York Times Service

NEW YORK — A surgical treatment for Parkinson's disease has dramatically helped some patients with the debilitating disease, but, unknown to many desperate Parkinson's sufferers, the surgery has left others paralyzed, blind, demented or comatose.

The surgery is pallidotomy, destruction of minute areas of the brain that control movement. It is done in the hope of quelling the rigidity, the jerking motions and the freezing in place that plague people with Parkinson's. Most medical experts believe that pallidotomies can help some patients, relieving symptoms instantly, if only temporarily. But the operation's

success has been hard to quantify. Although many patients have reported dramatic improvement in their symptoms, others have gone home apparently feeling fine, only to develop serious side effects over the next days. In many, the problem was caused by a brain hemorrhage after the operation, leading to paralysis or blindness.

So far, the information, both positive and negative, is mostly anecdotal. Dr. Mahlon DeLong of Emory University in Atlanta, who has performed the operation on more than 60 patients, said, "If I had the problem that many of these patients have I would consider a pallidotomy."

He added, "At the current time, this is probably the best thing we have for patients who have not responded to adequate trials of medication."

Although the U. S. Food and Drug Administration requires that drugs be proved safe and effective before they go into widespread use, there are no such requirements for surgery. There is also no central registry of surgeons doing the operation, but hundreds of the operations have been performed, and many major medical centers contacted say they are now offering it.

One neurologist who is just beginning to do the surgery, Dr. Matthias Kurth, associate director of the movement disorders clinic at the Barrow Neurological Institute in Phoenix, Arizona, said his group had been getting two or three calls an hour from patients wanting the operation.

Dr. William Langston, a neurologist who is director of the Parkinson's

Institute in Sunnyvale, California, said:

"The intensity is quite hot. There is an air of almost hysteria, and I'm starting to see panic in the medical community. There's a feeling that if we don't get on board, we'll be left behind."

Doctors say the huge demand for the operation, which costs from \$20,000 to \$40,000, depending on where it is performed, is understandable. Parkinson's disease, a degenerative brain disease, afflicts at least 500,000 Americans and there is no good treatment.

Although drugs can at first alleviate the symptoms, they eventually lose their effectiveness. Inevitably, the disease progresses until patients are unable to move or even swallow.

If You Can't Lose Weight, You Can at Least Learn to Like Yourself

By Daniel Goleman
New York Times Service

NEW YORK — Given the difficulty of losing weight, psychotherapists have come up with a treatment aimed at easing the psychological suffering that comes with being overweight.

The therapy is not meant to discourage people from trying to lose weight, nor to deny the very real increased health risks that added pounds bring. Instead it seeks to ease emotional suffering.

But, the results show, once overweight

people get over the acute self-consciousness that keeps them, say, from exercising in public, they are often better able to keep to their fitness regime.

"About 95 percent of people who lose weight in university-based clinical weight-loss programs have gained it back five years later," said Dr. Kelly Brownell, director of the Yale Center for Eating and Weight Disorders. "There's a collision between biology and culture. For some people there are biological barriers to losing weight at all, while others aspire to unrealistic lean ideals."

While other studies have come up with somewhat more optimistic estimates of the

numbers of people who keep lost pounds off — as high as 25 percent — the odds against lasting weight loss are daunting.

The genetic research suggests that some people just have to live with being overweight," Dr. Brownell said. "Of course, this does not mean you should stop encouraging people to lose weight," Dr. Brownell added.

Pointing to the public health problems, like heart disease and diabetes, that plague overweight people, Dr. Brownell said, "having obese people simply accept their weight is like telling smokers to keep smoking. But what's needed are ways to tell more precisely who can and cannot

lose weight, and help those who cannot to accept themselves as they are."

The approach has gained indirect support from a report this month in *The New England Journal of Medicine* that described the metabolic adjustments that make substantial and lasting weight loss a losing battle for so many people.

"Obese people are stigmatized and discriminated against," said Dr. Thomas Cash, a psychologist at Old Dominion University in Richmond, Virginia. "We help them with the emotional costs of these prejudices." His book describing the program, "What Do You See When You Look in the Mirror," was published in January

by Bantam Books. "We say, do the healthy things — and one of those is to learn to accept your body in a world that does not," Dr. Cash said.

For the chronically overweight, the embarrassment, self-recrimination and obsession with their appearance "is an element of suffering in their lives that they can be freed from, whether or not they lose weight," said Dr. James C. Rosen, a psychologist at the University of Vermont, who reported results from the new therapy program in the journal *Behavior Therapy*.

People who are extremely overweight can experience such acute embarrassment

that they avoid socializing, or spend hours preoccupied with arranging their clothes in the mirror or weighing themselves, Dr. Rosen said.

The 51 women in the treatment program were, on average, 52 percent over their ideal weight. The least overweight was about 25 pounds (11 kilograms) over her ideal weight, and one woman weighed more than 400 pounds.

The program had no effect on their weight, nor was the purpose of the therapy to help them shed pounds. Instead, it focused on freeing them from self-reproach, endless rumination about their appearance and their reluctance to appear in public.

BOOKS

WHAT THEY'RE READING

• Carmen Constant, American filmmaker, is reading *"The Wedding"* by the Harlem Renaissance writer Dorothy West. "This book is about a black American family who goes to Martha's Vineyard. The most interesting part is about their daughter having this rite of passage wedding and how the book goes back into the family background and the history of slavery." (Christine Joseph, *IHT*)



of the 19th century enshrined Venice as the capital of exquisite decadence and Romantic ruin, a twilight city perpetually on the verge of being washed away. Chief among Venice's mythmakers were a procession of Anglo-Saxon writers, historians and connoisseurs — including Lord Byron, Henry James, Ruskin and John Addington Symonds — who celebrated the city's magnificence while simultaneously reinventing its meaning. Pemble skillfully describes the ways in which successive generations of historians reinterpreted Venice based on their

own contemporary agendas. British scribes drew frequent parallels between Venice's fate and the possible fate of the British Empire, echoing English statesmen, they argued that Venice would have preserved its greatness if it had followed a policy of "splendid isolation." As Venice became an increasingly popular destination, Venetian history was rehabilitated. Paintings once dismissed as gaudy were reappraised as priceless masterpieces. Venice's legacy of criminal subterfuge and routine torture became a footnote to a far more glorious

past. In modern Italy, the invasive rule of the Doges served as a model for the birth of fascism.

For artists, Venice in the late 19th century functioned similarly to Tangier in the 1950s and 1960s: It was an "interzone," a place devoid of politics, situated between the West and the Orient, where aesthetes and depressed nobility could hobnob and pursue the sexual satisfaction that eluded them elsewhere.

The ravages of the Industrial Revolution made the cognate aware of the built past as a precious resource, something to preserve from the destructive forces of history and safeguard for future generations. After the tower of the campanile at St. Mark's crashed to the ground in 1902, funds were immediately secured to build an exact replica on the spot, to forever disguise the calamity. "When people spoke of restoration they now meant making the new look old, not making the old look new," Pemble writes. The artists had moved on.

Anglo-Saxon authors and European connoisseurs successfully engineered the appearance of stopped time in Venice, but

their victory was a sterile one. Preservation proved at least as fatal to the city as modernization would have been. This failure constitutes the ironic heart of Pemble's thesis, as the artists who sought to salvage Venice ended up equal partners in its destruction. If *"Venice Rediscovered"* were a detective novel, the Venetianophile artists would be the criminal masterminds. Their cult of the sublime acted on the city as embalming fluid.

By the beginning of the 20th century, James' "refuge of endless strange secrets, broken fortunes, and wounded hearts" had been transmuted from a vital organism to a specimen preserved under glass. Ruskin's books and Byron's poems became the stuff of guidebooks, a cattle call to millions of tourists looking for an escapist destination that mingled culture with pleasure. By 1928, D. H. Lawrence could dismiss the city as "a monument to Mammon and the fleshpot of a mindless multitude." The artists had moved on.

Daniel Pinchbeck, editor of *Open City*, a literary and art journal, wrote this for *The Washington Post*.

By Alan Truscott

THE highest change in tournament scheduling in the last decade has been the introduction of stratified events. Instead of dividing into three groups according to master-point standing, the players play in one group but are scored by comparing players with their master-point peers.

A Flight C player with little experience can theoretically rank high among the experts in Flight A, but it hardly even happens. It did, however, in the Sectional-in-Clubs tournament when Jill Lafer and Irene Frary were the Flight C winners. They were also second in Flight B and fourth in Flight A, a remarkable performance.

Lafer sat South on the diagramed deal. Her bridge teacher had told her to bid aggressively, and she followed this advice and a bit more by leaping to four hearts at her second turn.

The dummy was suitable and the contract had good prospects. A spade was led to the ace, and East no doubt consid-

ered a shift to the club ace. But that would have helped the declarer if she had held a doubleton club king, so East played the diamond four.

The finesse lost to the king and East returned a diamond. Now, South was able to win the diamond ace, cash the king and ace of hearts and throw the club king on the diamond queen. West could take his trump winner whenever, but the contract was safe.

NORTH			
♠ Q			
♥ A J 7			
♦ Q J 10 5			
♣ 10 8 7 6 4			
WEST (D)			
♠ J 9 7 4			
♥ Q 9 8			
♦ K 8			
♣ J 9 5 3			
EAST			
♠ A 6 3 2			
♥ 10 4			
♦ 9 7 6 4 2			
♣ A Q 2			
SOUTH			
♠ K 10 8 5			
♥ K 10 6 5 3 2			
♦ A 3			
♣ K			

Neither side was vulnerable. The bidding:
West Pass North Pass East Pass South Pass
West Pass North Pass East Pass South Pass
West Pass North Pass East Pass South Pass
West led the spade four.

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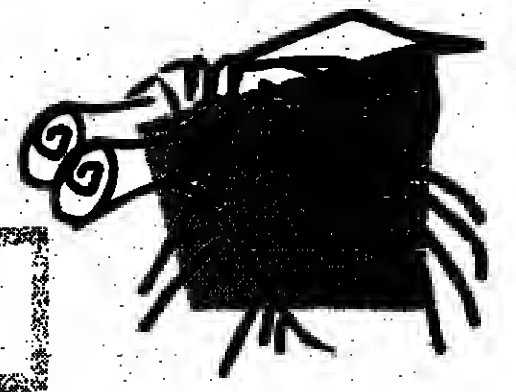
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BUSINESS EDUCATION IN THE NORDIC COUNTRIES

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STUDENTS FROM AROUND THE WORLD

An international outlook, English instruction and high quality are among the aces of a Nordic education.

The Nordic countries share some of the world's highest living standards, most sophisticated economies and a deep-rooted belief in the importance of education. These characteristics are partly the fruit of business and intellectual cultures that have long been based on internationalism and openness.

Business education in the region has profited from both currents, and the internationalization of study has enabled the region's institutions to cooperate worldwide.

Under the European Union's Erasmus program or through bilateral exchange agreements, thousands of foreign students have come each year to the Nordic region to study. With complete master of business administration (MBA), master of science (MSc) and similar programs now being taught fully in English, the area's universities and business schools are competing for students on the world stage.

The level of interest in studying in the Nordic area is perhaps best illustrated by the case of Finland. According to figures from Finland's Center for International Mobility (CIMO), around 400 exchange students from Europe went to Finland in 1993-94. In 1994-95, the figure is expected to rise to 2,000. This increase reflects not only Finland's political moves toward Western Europe, but also a growing awareness that in many fields, the Nordic area can boast some of Europe's most respected academic institutions.

Bodo Graduate School of Business in northern Norway has worked hard at establishing international cooperation and exchange programs throughout Europe, taking in students from France, Spain, Britain, Germany and other countries. Its links with neighboring Russia are also well-developed, with students from Murmansk State Maritime Academy and St. Petersburg State University studying at Bodo. As

part of its MBA and MSc programs, the school offers a broad range of courses, including ecological economics, and innovation and entrepreneurship. The latter, which focuses on the way ideas can be developed into successful products or services, can also form part of a two-year advance graduate program at Bodo.

Access to multinationals

In Sweden, the Stockholm School of Economics now offers an MSc degree in international economics and business, taught entirely in English. In addition to a strong theoretical and analytical base, the course gives students the opportunity to study Swedish multinational corporations like ABB and Ericsson and to become involved with the European Institute for Japanese Studies, which is based at SSE.

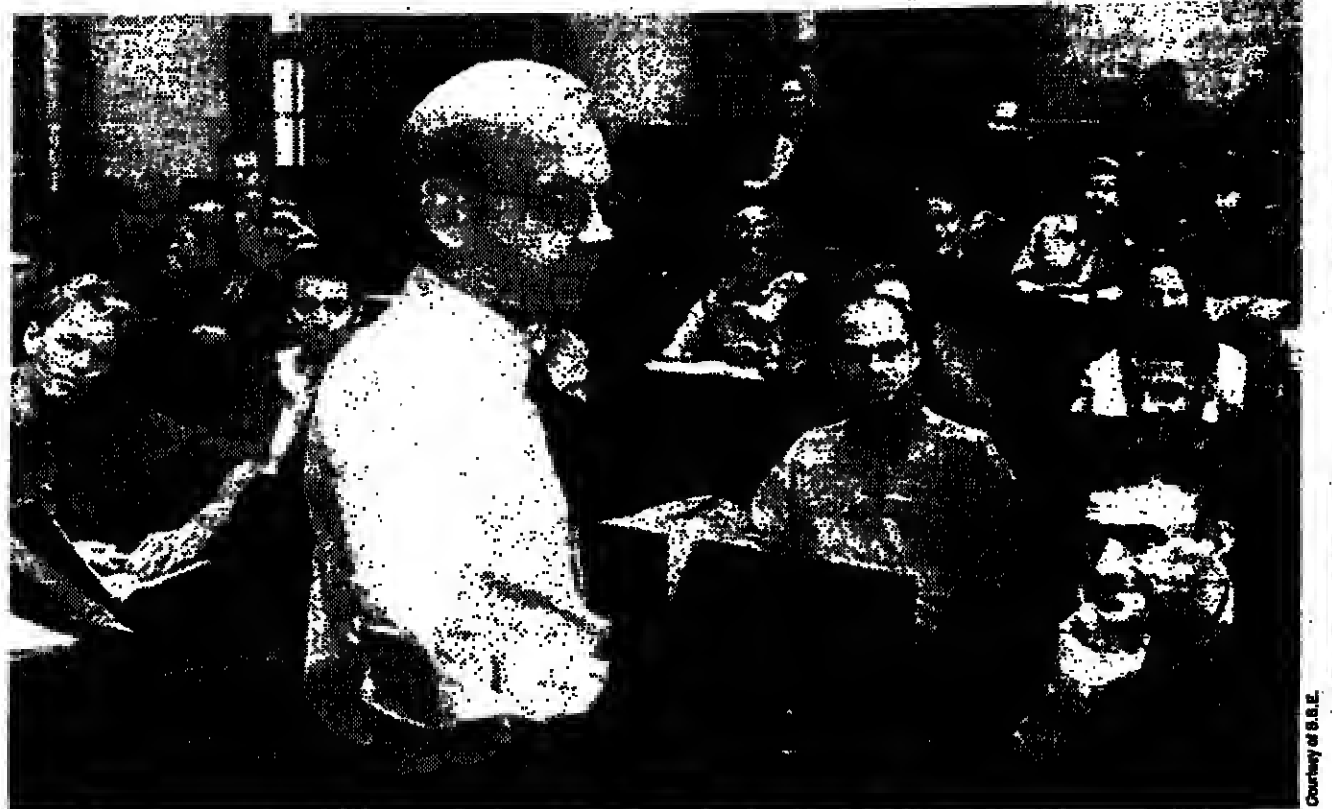
The SSE is a member of the Community of European Management Schools, an organization that groups together selected institutions across Europe. CEMS facilitates student exchanges and aims to create common standards by which international business can judge academic qualifications.

The Norwegian School of Economics and Business Administration is another member of CEMS. Based in Bergen on Norway's west coast, the school offers a broad range of subjects, with special courses in shipping, fishing, petroleum, energy and resource economics.

The Norwegian School of Economics and Business Administration has built up close links with the country's largest companies, such as Statoil and Norsk Hydro.

Links with business are a characteristic of education in the region. "What is particularly interesting for international students is that we have the main site for ABB here in Västerås," says Göran Huss, director of the Office for International Affairs at Mälardalens University in central Sweden. Even a medium-sized university like Mälardalens now offers international students a broad range of courses in English.

With Finland and Sweden joining Denmark in the European Union, there has been increased interest in how the EU functions. Sweden's historical Lund University offers a mas-



Business education in the Nordic countries profits from the region's openness and internationalism.

ter of European business administration degree, which concentrates on, among other things, the legal environment for business in the EU, international marketing and accounting.

At Denmark's Aarhus School of Business, there has been keen interest in how the smaller regions of the EU function. The school has developed a management course in connection with institutions in Scotland, Portugal, the Netherlands and Ireland. Bo Gregersen, head of Aarhus's International Department, says that such links have shown how smaller regions often face similar problems and opportunities.

Aarhus has also attempted to develop courses that reflect the changing interests of students. New emphasis has been given to research on the "greening" of products and the use of technology for environmental purposes.

How to stay relevant

As with business itself, business courses must be constantly changed and updated to be relevant to modern markets.

In recent years, one field of business studies that has been keenly developed in the region focuses on service industries. Out of this has come what is known as the Nordic School of service, management and marketing.

At Stockholm University, a special chair has been established to deal with this subject. "Most people are no longer engaged in manufacturing goods, and even manufactured goods have a large service component, such as their servicing, designing and selling," says Birgitta Wadell, assistant professor of management at Stockholm University. "With service industries, the customer is a coproducer of the product. In traditional models, the customer was seen as outside this structure."

From this point of view, a hairdresser and the customer having a haircut would be considered coproducers. The process of arriving at the end result is a joint effort involving interaction between the two during production. Such close communication with customers means that the point at which the company comes into contact with the client is vital. This, in the theory's terms, is "the moment of truth."

Stockholm University is not alone in further developing such theories. The Swedish School of Economics and Business Administration in Helsinki has its own Center for Relationship Marketing and Service Management, which specializes in looking at customer-relationship economics and profitability models.

In the well-integrated and flexible academic environment that exists in the Nordic area, the links between universities

and business schools enable new ideas to flourish. In Norway, for example, there has been a growing interest in business ethics, an issue that has been pursued by researchers at the University of Oslo.

This interest is often prompted by the business community itself, says Francis Sejersted, a professor at Oslo University. "Although the business community feels it has been trying hard to live up to moral standards, it is still attacked on moral grounds," he says. "Its members are left asking if they are in some way worse than other people."

Ambiguous morality

Mr. Sejersted tries to explain that the problem is rooted in a society that has several competing moral norms. The central paradox is that the different moral norms do not always sit happily together.

"Business society is based on furthering your interests, and it is legitimate to follow self-interest even if it causes damage to fellow humans," he says. In other words, to defeat competitors is a legitimate and indeed necessary part of business, but it does not always sit well with the moral norms prevailing in the rest of society. This creates moral tension.

Mr. Sejersted is not alone in his research. Other academics at the Norwegian School of Management (BI) are working in the field, attempting to bring it into the mainstream. BI also offers both MSc and MBA courses in English.

For managers already active in their companies, many courses in the Nordic area have been tailored to deal with participants' specific requirements.

The Swedish Institute for Management (IFL) was set up to serve the Swedish business community and the public sector with training for higher levels of management.

As Swedish companies spread abroad and international companies establish themselves in Sweden, the role of the institute has grown to involve training local managers in Swedish techniques, such as the flat organizational structures so often used in Scandinavian companies. Programs are now being carried out in China, South America, South Africa and the United States.

The institute's president, Anders Aspling, says IFL differs from other schools in its emphasis on participation. "We do not teach the kind of thing that participants should know already," he says. "We start with their own experiences."

This practical emphasis is again evident in the executive MBA offered by the Copenhagen International Management Institute (CIMI). Here, the participants devise a strategic business plan for their own company. In many ways, it means that a manager is able to act as a consultant for his own company.

According to Program Director Niels Amfred, MBA applicants are judged as much on their potential, previous performances and the backing of their company as on formal academic qualifications. The background of a student might be as varied as primary school teaching or shipping. As Mr. Amfred explains, participants with such experiences often prove better equipped than other senior managers.

Nicholas George

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"BUSINESS EDUCATION IN THE NORDIC COUNTRIES" was produced in its entirety by the Advertising Department of the International Herald Tribune.
WRITERS: Keith Foster and Nicholas George are based in Stockholm.
PROGRAM DIRECTOR: Bill Mahder.
Friday's section will be about "International Education in Belgium and the Netherlands."

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Carl Tham: "We are concentrating on extending higher education."

EQUALITY MEANS PROGRESS, SAYS SWEDISH MINISTER

Carl Tham, minister of education in the new Swedish Social Democratic government, has held several public posts, including director general of the National Energy Administration and director general of the Swedish International Development Authority. In this interview, he discusses moves toward sexual equality, increased language instruction and other issues in Swedish higher education.

The Swedish Social Democratic government has now been in power for almost half a year. What were your aims when you entered the Education Ministry, and how far have you come?

One of our chief aims is to improve the mobilization of education, by which I mean raising the standards of education of the labor force, retraining, improving competence levels, etc. That is part of the strategy against the emergence of a large unemployed sector of the work force.

We are also concentrating on extending higher education. This fall will see 300,000 Swedes in university, which is an increase of 50 percent over the past 10 years.

We have also just introduced a gender bill, which will increase the number of female researchers and professors, traditionally a male-dominated field.

More higher education, more retraining — are there no thoughts of moving toward a low-wage economy, as in some European countries?

No, this is part of the strategy against the so-called "two-thirds" society. According to recent OECD figures, one job in five is being transformed, replaced or simply obliterated each year by the tremendous changes taking place in the way we work. This is particularly affecting management at the moment. Our education system needs to be able to cope with those changes, and there we are working together with business. Many companies are seeing the need — and the opportunity — for this retraining process and are allowing their employees the time to upgrade their competence and skills.

You mentioned your "gender bill," and sexual equality in higher education is an issue you have made much of. Why? How can you improve the balance of the genders in traditional male areas like business or technology education?

Obviously, the government cannot regulate how companies select management, even though the more enlightened ones are now looking to women to an increasing extent. What we can do is open the way for more women in research and tutorial positions, particularly in an area like technology. Then we can encourage more women to take up posts in the academic world by giving universities and colleges gender targets, etc. By its very nature, this means that as more women have someone of their own sex to look up to in the academic world, as more women study under women, eventually more of them will reach higher positions in management, business, engineering and other fields.

This is a tough move because it will mean changes in some institutions. It may mean for some the surrender of status that is guarded very jealously. People are not happy about losing their positions.

Knowledge, as they say, is power.

Sweden, along with its Nordic neighbor Finland, joined the European Union this year. What advantages do you see there?

As you know, education is one area that is not regulated by the EU. Each member country wants to keep it on its own agenda. However, I think the most pleasing aspect is the increased mobility of students — more of our young people going abroad, more coming here. We will certainly cooperate fully with the various exchange programs such as Leonardo and Socrates.

Do you think Swedish graduates are attractive to companies in Europe? Swedes have a good reputation for speaking English, for example, but is language good enough at the top level?

Are our graduates attractive? I am afraid you will have to ask the companies that. What I do think is that we need to improve our language education. It is true that most people can speak relatively good English, but that is not enough. At a higher level, we need to be able to speak languages like German, French and Spanish with a good degree of skill.

That is why, despite all the spending cuts going on at the moment, we have proposed in our new bill the creation of a thousand new places at our universities for the teaching of foreign languages, particularly those I mentioned. We need to produce top-quality graduates, no doubt about it.

Interview by Keith Foster

GATEWAY TO BALTICS: TAPPING THE NEW REPUBLICS

A survey of Nordic education ventures in Eastern Europe and the former Soviet Union.

The collapse of the former Soviet Union and the emergence of new democracies and markets in Eastern Europe have created fresh business and trading opportunities around the Baltic sea.

Linked to the Baltic region by geography and history, the Nordic countries have been among the first to reopen trade links, which date back to the days of the Hanseatic cities.

The initial euphoria, however, has given way to a realization that doing business in the region can be a difficult and time-consuming process.

How capitalism works

The problems have been caused not just by the collapse of production and the political and social turmoil in the area, but also by a lack of understanding of how capitalist business works.

In an effort to remedy this situation, Nordic academic and business institutions have been actively engaged in teaching business and entrepreneurial skills to students and managers in the Baltic states.

Often backed by funds from their own governments, senior academics and business leaders from the Nordic region have tried to create the educational structures necessary to help these fledgling capitalist states in-

tegrate into the world economy.

One of the most interesting ventures is led by the Stockholm School of Economics, which has established a business school in Riga, the Latvian capital.

SSE-Riga was set up in 1993, with 51 percent of the shares in the school held by the Stockholm School of Economics and the remainder belonging to the Latvian government. SSE-Riga enrolled its first 56 students last year, and it aims to have an annual intake of around 100.

The academic program would normally take three years to complete. With the urgent need for skilled graduates in the labor market, however, the pace has been quickened to ensure that students complete the course in two years.

Easing the transition

"At first, our job is going to be to ease the transition from a controlled to a market economy," says Jan-Erik Vahlne, rector of SSE. "We hope not only to give our students a thorough knowledge of economics, but also to support their entrepreneurial spirit and business initiative."

The Swedish government is covering the cost of academic operations at the school for the first 10 years.

while the Latvian government is paying local costs. Repair work at the school's Art Nouveau building in central Riga is being paid for partly by a \$2 million grant from the Soros Foundation.

Niels Brock, Copenhagen Business College is also active in Latvia; its work is aimed at the upper secondary level, with students between 16 and 19 years old.

"What we are trying to do is create a business education system," says Kirsten Bonde, Niels Brock's Riga project manager. "At present, there are as many different educational systems as there are schools."

The school's individualism is a reaction to the years of heavy-handed control under the Communists, but there is now a need to bring some common standards to the system. Niels Brock's project involves training local teachers so the Latvians themselves will be able to run the system in the future.

The Norwegian School of Management, BI, has set up its own Center for Baltic Development. Active for the past five years, the center aims to train people active in the Baltic region's business community, including those working for the many Western companies that are now establishing themselves in the region.

Such training has to be tailored to the specific needs of emerging economies. "Let us say you have people you want to educate in sales techniques," says the center's Sigurd Haavik. "You cannot just use American procedures — they will not be effective. You have to understand the local culture and technique." Although progress has been steady, problems remain. "Entrepreneurs still do not know how to sell ideas to investors or banks. We are trying to teach people how to go from idea to production and also how to judge if something is profitable."

The last point has led to the introduction of Western accounting methods, the lack of which has made the going tough for foreign companies.

Centers of expertise

The experiences gained by students and academics involved in developing business skills in the Baltic republics have allowed Nordic universities and business schools to become centers of expertise in these new markets. Many institutions offer special courses to international students on how to do business in the area.

This is particularly true in Finland, which has had experience in dealing with Eastern markets for many

years. Many Finnish universities have international courses dealing with the Baltics and Eastern Europe, with segments that deal specifically with trade in the Baltics and Russia.

The University of Vaasa, for example, offers international students a course on doing business in Eastern Europe.

In 1996, the Finnish College for SME Business Administration in Kuusinka intends to offer a course in English for international students, along the same lines as instruction provided in cooperation with the Universities of Tartu (Estonia) and Petrozavodsk and St. Petersburg in Russia.

In its two-year MBA course, the Helsinki School of Economics and Business Administration includes courses on doing business in St. Petersburg and the Baltic republics.

Trade between the Baltic republics and the Nordic countries has grown rapidly in the past few years, with both governments and private companies keen to develop the potential markets in Estonia, Latvia and Lithuania. All realize that one of the best guarantees of future stability in the area is an increase in living standards based on free-market choices.

N.G.

THE WALLENBERG FAMILY: FUNDING FOR EDUCATION

Sweden's industrial dynasty is committed to furthering Swedish research and higher education.

The Wallenberg family is the most powerful industrial dynasty in Sweden, holding a controlling interest in companies like Electrolux, Asea-ABB, Gammbo, Ericsson and the Skandinaviska Enskilda Banken. André Oscar Wallenberg founded the Stockholm Enskilda Bank in the middle of the 19th century, and it was developed into one of Sweden's dominant financial institutions by Knut Wallenberg in the early 20th century.

Throughout this century, the family's business activities have been accompanied by a commitment to supporting Swedish research and higher education. For the origins of this commitment, we must go back to Knut Agathon Wallenberg (1853-1938). He was a man

of great intellectual curiosity and a financier of vision. He founded the Banque des Pays du Nord in Paris in 1911 and the British Bank of Northern Commerce in London in 1912, and he still found time to serve as foreign minister in the Swedish government from 1914 to 1917.

On his 50th birthday, in 1903, Knut donated 100,000 Swedish crowns to found the Stockholm School of Economics, the first private establishment of its kind in Sweden. That commitment continues to this day, as Wallenbergs still sit on the school board.

The current senior family member, Peter Wallenberg, 65, is convinced of the need to maintain a private business-education alternative.

"Assuming they provide something the public sector cannot, then private schools like the SSE must be encouraged," he says. "Of course, the proof of the pudding is in the eating."

Peter Wallenberg is the current chairman of the Knut and Alice Foundation, the family's chief instrument in the support of research and education. Established in 1918 by Knut Wallenberg and his wife, the foundation comprises most of their estate, and the statutes declare its primary aim to be "supporting scientific research and educational programs for the benefit of the country."

Since its inception, the Knut and Alice Foundation has done just that. It is the largest private giver of

grants in Sweden, with more than 90 percent of its grants going to universities, business schools and research facilities. In 1994, the foundation donated 274 million Swedish crowns (about \$36.5 million) to various projects, most of them scientific. The Stockholm School of Economics received 525,000 Swedish crowns to support a student research program from the Baltic re-

publics. Both the school and the foundation, however, are keen to point out that the SSE has no favored status when grants are decided.

Will the family's commitment to Swedish business education continue? "Yes, of course," says Mr. Wallenberg. "Sweden must maintain its standards in this respect. For us, it is a case of private support in the public interest."

K.F.

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LANGUAGE COURSES
By
CERAN
See on Page 10

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THE EUROPEAN INSTITUTE OF JAPANESE STUDIES
STOCKHOLM SCHOOL OF ECONOMICS

The European Institute of Japanese Studies (EJIS) at the Stockholm School of Economics, officially inaugurated in September 1992, was established through an endowment of funds from the Swedish and Japanese private sectors and the Swedish government.

EJIS is active in three main areas: research, education (MSc and PhD) and public policy conferences. Focusing on the key economic and business issues affecting Japan and East Asia, the main thrust of EJIS is to analyse the current and future challenges of Japan and East Asia to the global economy, particularly in regard to the implications for European government policies and corporate strategies.

As part of its European strategy, EJIS recently took the initiative to establish the Japan-Europe Comparative Competitiveness Consortium and as an example of its public policy conferences, in March this year, EJIS hosted and inaugurated in Evian (France) a series of high level international conferences on the subject of "The International Economic Organization in the Post-Uruguay Round Era: An Agenda for the European Union and Japan".

EJIS currently has a core professional staff of ten which is supplemented by a network of a dozen visiting professors and scholars from Japan, North America and Europe.

For further information please contact:
The European Institute of Japanese Studies, Stockholm School of Economics, PO Box 6501, S-113 83 Stockholm, Sweden. Tel. +46-8-736 9360; fax +46-8-31 30 17

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Or fax: +46 8-31 99 27
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HELSINKI BUSINESS POLYTECHNIC

HelBP was established in 1992 with the combination of three institutes of higher education. With more than 3,000 students, HelBP is the largest institution in business education within the Finnish non-university higher education sector. HelBP offers three degree programmes: Business Administration, Business Information Technology and Modern Languages and Business Studies.

Study Periods in 1995 and 1996

- 12 weeks (9 September - 24 November 1995) and
- 12 weeks (4 March - 24 May 1996)

Fee: 900 ECU. Applications due by 15 June for the autumn course and by 15 November for the spring course.

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Commission Calls On Unisource

EU Seeks More Information On Telephone Venture Plan

BRUSSELS — The European Commission said Wednesday it had sent a letter to Dutch, Swiss, Swedish and Spanish telecommunications operators seeking information on their Unisource venture and on plans to cooperate with AT&T Corp. "The Commission took the initiative to examine the different arrangements concerning Unisource and its links with AT&T," it said.

The companies have one month to reply, said the spokesman for European Competition Commissioner, Karel Van Miert.

Unisource, headquartered in the Netherlands, groups Koninklijke PTT Nederland, Telia AB of Sweden and Swiss Telecom PTT.

The venture, like other big strategic alliances in the telecommunications sector, will provide such advanced global services as data transmission to large corporations.

Telefonica de España SA has said it will also join the venture, which is due to come into effect this month.

The four European telecommunications partners and AT&T Europe announced in December they were creating a joint venture 60 percent owned by Unisource, which would become operational by mid-1995.

U.S. Unit Weighs on Trygg

STOCKHOLM — Trygg-Hansa AB, Sweden's second-largest insurer, reported on Wednesday an operating loss of 3.66 billion kronor (\$505.5 million) for 1994 after a profit of 1.48 billion kronor in 1993 as losses mounted at its U.S. subsidiary.

The company said that the result included one-time costs of 3.47 billion kronor and that Trygg-Hansa's U.S. unit, Home Holdings Inc., was alone responsible for more than this figure, costing Trygg-Hansa 4.06 billion kronor in 1994.

Home Holdings reported Wednesday a net loss of \$385 million in 1994, widened from \$165 million a year before.

Trygg-Hansa holds 47.2 percent of the shares and 64.5 percent of the votes in Home Holdings, an unprofitable insurer hurt by rising liability claims for hazardous-waste clean-up costs. Trygg-Hansa has agreed to sell its stake to Switzerland's Zurich Insurance Co.

The agreement is still pending regulatory approval.

Operating costs rose to 1.76 billion kronor in 1994 from 1.56 billion in 1993, partly due to the dissolution of the reinsurance operations.

(Bloomberg, AFX, Reuters)

Premiums Power UAP Net

PARIS — Union des Assurances de Paris, France's largest insurer, said Wednesday it expected earnings from its core business to improve this year on the strength of rising premiums and stringent risk selection.

"I think we can continue to improve the fundamentals," Chairman Jacques Friedmann said at a press conference. He refused to give an overall profit forecast.

UAP announced last Tuesday that net profit rose 10 percent to 1.57 billion francs (\$316.2 million), in 1994, a result that was broadly in line with analysts' expectations. The company attributed the improvement to increased earnings from insurance underwriting.

UAP will keep its dividend at 3 francs a share for 1994.

A year ago, the French government sold 50.24 percent of UAP to the public, raising 19

Kaufhof Chairman Steps Down

COLOGNE — The chairman of Kaufhof Holding AG, Jens Odewald, is stepping down because of what the German retailer called "different views on future business policy."

Mr. Odewald will leave the company March 31, a spokesman said, without giving details. The company did not immediately name a replacement as chairman, and it said the supervisory board would recommend at the annual shareholders' meeting in July that Mr. Odewald become a member.

Analysts said losses in Kaufhof's travel operations led to the departure. The company sold its international Touristik Services Lnderreisendienst GmbH subsidiary to REWE-Zentralfinanz AG early this month for an undisclosed sum.

Mr. Odewald led the Cologne-based retailer from annual sales of 8.5 billion Deutsche marks (\$6.08 billion) in 1985, when he was named management board chairman, to 27 billion DM in 1993 through growth and expansion into specialty stores and the travel industry.

Mr. Odewald's departure marks a stronger role by the Swiss-based retailer Metro GmbH, which holds a majority stake in Kaufhof, analysts said.

"Kaufhof is going to become a well-behaved daughter of Metro," said Antje Witte at Trinkaus Capital Management in Dsseldorf.

(Reuters, Bloomberg, AFP, AFX)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
2255	3200	2000
2125	3125	1925
2125	3050	1850
1975	2875	1775
1993 QNDJFM	1994 QNDJFM	1994 QNDJFM
1994 QNDJFM	1995 QNDJFM	1995 QNDJFM
Exchange Index	Wednesday Close	Prev. Close % Change
Amsterdam EOE	392.86	394.37 -0.38
Brussels Stock Index	6,870.57	6,911.96 -0.60
Frankfurt DAX	1,982.66	1,982.95 -0.01
Frankfurt FAZ	736.81	741.17 -0.59
Helsinki HEX	1,631.14	1,672.81 -2.49
London Financial Times 30	2,393.90	2,394.20 -0.01
London FTSE 100	3,199.70	3,135.00 +0.15
Madrid General Index	267.80	266.80 +0.30
Milan MIBTEL	9,530.00	9,681.00 -1.36
Paris CAC 40	1,817.98	1,813.78 +0.23
Stockholm SX 16	1,540.55	1,553.32 -0.82
Vienne ATX Index	977.58	956.16 +2.24
Zurich SBS	885.56	886.05 -0.06

Sources: Reuters, AFP International Herald Tribune

Very briefly:

- Banque Nationale de Paris SA said 1994 net profit rose 63 percent, to 1.66 billion French francs (\$334.3 million), as it took 32 percent lower provisions for bad loans, compared with 1993.
- Credit Lyonnais' chairman accused competitors of double standards for questioning the fairness of a state rescue of the indebted French bank. He added that the bank plans to cut about 2,000 jobs this year.
- Philips Electronics NV cut prices on some of its compact disk-interactive players in the Benelux region following failure to sell 1 million such units worldwide in 1994.
- Sir Leon Brittan, the European Union's trade commissioner, said Japan was stalling efforts to open up its markets by not going far enough with efforts to deregulate the economy.
- Audi AG said it made an after-tax profit of 30 million Deutsche marks (\$21 million) in 1994, after a loss of 89 million DM in 1993.
- Österreichische Postsparkasse has offered to buy the ailing grocery chain Konsum's 30.66 percent stake in Bank für Arbeit & Wirtschaft AG for 4 billion schillings (\$406.9 million).
- Italy's top antitrust official has urged that the startup of state-controlled Telecom Italia's GSM cellular phone service scheduled for April be delayed until year's end, a television network reported.
- Christiania Bank of Norway plans to establish operations in Sweden and Denmark this year.
- US West Inc. has been selected as partner for the Telenet Vlaanderen telecommunications network in Belgium Flanders.
- French consumer prices rose by 0.4 percent in February on a monthly basis and by 1.7 percent over the 12 months.
- Germany's money supply, the key indicator for the Bundesbank's monetary policy, remained subdued in February.

AP, Bloomberg, Reuters, AFP, AFX

BAT: Chugh Should Quit

LONDON — BAT Industries PLC, the British tobacco and insurance concern, said Wednesday it had "lost confidence" in Kishan Lal Chugh, chairman of its Indian affiliate ITC Ltd., and called for his resignation.

BAT said it was "particularly concerned about the recent discovery of financial irregularities" at the Indian tobacco producer and that it was "acting in the best interests of all shareholders in ITC Ltd. by seeking to return ITC to professional management under a different chairman."

Peter Constable, an analyst at Robert Fleming Securities Ltd., said BAT had in the past sought greater management and shareholder control of ITC. "Clearly they have been frustrated in this and now they want to get rid of Chugh," he said.

But BAT added that it was "not seeking a majority shareholding in ITC," in which it has a 31 percent stake.

Diaper War Dents Svenska Cellulosa Net

STOCKHOLM — Svenska Cellulosa AB, the Swedish forestry company, said Wednesday that its 1994 pretax profit fell 12 percent as a price war in the diaper market with Procter & Gamble Co. offset gains from higher paper prices.

Pretax profit fell to 1.66 billion kronor (\$146 million) from 1.21 billion kronor in 1993. Without one-time charges, mostly in the company's personal-care products unit, Moenlycke Tolerides AB, profit rose 92 percent to 2.28 billion kronor, the company said.

SACA's B shares fell 150 kronor to close at 118 kronor in Stockholm after the results were announced.

Last month, SCA said it would sell Moenlycke to Cederroth International AB, a unit of the U.S.-based Alberto-Culver Co., for 350 million kronor.

Sales in 1994 rose less than 1 percent, to 33.68 billion kronor, and should rise to about 63 billion kronor in 1995, reflecting an acquisition, the company said.

SCA, which in January took a controlling interest in FWA-Papierwerke Waldhof-Aschaffenburg AG to become Europe's largest forestry concern, said it expected demand for paper and pulp to boost its pretax profit to between 4.5 billion and 5 billion kronor in 1995.

Demand for SCA's products is expected to be further reinforced in Europe dur-

AT&T: Cutbacks Shock Japanese

Continued from Page 16

on its own two feet," said Mark R. Newburg, senior managing director of AT&T Global Information Solutions Japan Inc. "There are some efficiencies that we're trying to get, but we're working very hard to comply with Japanese labor laws as well as labor practices."

But "this would be unthinkable in a Japanese company," said Mr. Hashimoto, the union official. While a Japanese employer might take some of these measures, it would phase them in over several years and consult workers more, he said.

Many large Japanese companies remain reluctant to engage in large-scale layoffs. Instead, they eliminate overtime, move people around — often to jobs with affiliated companies — and even order pay cuts. That is why Japan's unemployment rate is still only 2.9 percent, compared with 5.4 percent in the United States, despite a four-year recession.

"The first priority of a Japanese company is its employees; the second priority is its customers, and the third priority is its stockholders," said Mitsuya Goto, a former Nissan Motor Co. executive who now runs a consulting company.

Yet to the dismay of union members, Japanese companies are clearly moving in American corporate direction. Nissan, for example, has reportedly worked out a plan to cut labor costs by shedding 6,000 to 7,000 jobs, though without layoffs.

A few companies have gone so far as to dismiss workers, but that is rare. Nonetheless, a job is so much a part of a person's identity in Japan that the prospect of being sloughed off to a subcontractor and taking a pay cut terrifies many Japanese.

"These things used to happen just in foreign-invested companies," said Tazuo Hotta, an executive of AT&T Japan Ltd. "Now they're happening in Japanese companies, too."

To an American ear, the Japanese union's arguments sometimes sound quaint — a bit like the charming old restaurants in Tokyo with armies of hostesses and bills that make you feel as if you've not just eaten lunch, but bought the restaurant, too.

Indeed, the unions do not just resist cutbacks; they sometimes urge corporations to hire more people and pay them higher salaries.

"Leading multinational companies like AT&T have a responsibility to maintain employment and even expand employment," Mr. Hashimoto said.

AGA 1994

- AGA's income after financial items increased by 27 percent to SKr 1,726m (1993: 1,358).
- Net income per share rose by 26 percent to SKr 5.28 (4.19).
- Proposed dividend increase to SKr 2.25 (2.00) per share.
- Continued improvement in earnings is expected in 1995.

1994 Summary

Amounts in SKr million	1993 pro forma excl. Frigoscandia	1994	1993
Sales	12,544	11,385	10
Operating income	1,693	1,373	21
Net financial items	-212	-231	10
Share of income in Gullspång Kraft	221	206	7
Income in other associated companies	24	10	10
Income after financial items	1,726	1,358	27
Tax	-447	-347	23
Minority interests	-10	-8	18
Net income	1,269	1,003	26
Income per share, after full tax SKr	5.28	4.19	26
Return on capital employed, %	17.3	15.1	13
Liquid funds and investments	1,846	1,719	7
Other current assets	3,184	3,031	5
Shares and participations, etc.	2,153	1,828	15
Land, buildings, machinery, etc.	11,811	11,778	0
Loans	4,843	5,006	3
Other current liabilities	2,782	2,949	6
Other long-term liabilities	3,496	3,349	4
Minority interests	102	113	11
Shareholders' equity	7,771	6,914	11
Total assets	18,994	18,356	3
Equity ratio, %	41.5	38.3	7
Investments in new plants and equipment	1,739	1,346	29
Average number of employees	10,546	10,625	0

Report on Operations

In June 1994, AGA distributed all the shares in Frigoscandia to the shareholders. The AGA Group now comprises gas operations and a 34% stake in the power company Gullspång Kraft. All companies with 1993 relate to the AGA Group excluding Frigoscandia. AGA's shareholding in Avora Sheffield was sold in January 1993, which provided a capital gain of SKr 601m.

Consolidated income after financial items increased by 27% in 1994 to SKr 1,726m including AGA's share of income in Gullspång Kraft which increased by 7% to SKr 221m (206). Sales rose by 10% to SKr 12,544m (11,385), and operating income increased by 23% to SKr 1,693m (1,358). Gas operations' income after financial items improved by 31 percent to SKr 1,505m (1,152).

Consolidated net income rose by 27% to SKr 1,269m (1,003), and net income per share after full tax increased to SKr 5.28 (4.19). Return on capital employed after tax increased to 16.9% (15.5), and return on equity after full tax rose to 17.3% (15.1).

Gas operations' sales and earnings were affected favorably by the gradually improved economic climate in most of AGA's major markets. Increased sales volumes combined with the effects of rationalization measures led to improved operating margins for the majority of the Group's companies. The trend in the Nordic countries was particularly positive and this also applied to the European continent after the first half of the year. The favorable growth in the U.S. continent, and in Latin America the subsidiaries in Colombia and Brazil reported sharp increases in earnings.

During the year AGA invested SKr 1,739m (1,346m) in new plant and equipment. An additional SKr 53m (35m) was invested through acquisitions. Capital expenditure corresponded to 14% (12%) of sales. In 1994 AGA acquired 89% of the shares in the Russian gas company BKZ, one of Russia's largest industrial gas companies. AGA also started gas operations in Bolivia.

The Board of Directors recommends a dividend increase from SKr 2.00 to SKr 2.25 per share. The Annual General Meeting will be held on May 9 and it is expected that dividends will be distributed from VPR on May 19.



AGA Aktiefond
181 81 Lidinge, Sweden

NYSE

Wednesday's 4 p.m. Close
(Continued)

12 Month High	Low	Stock	Div	Yld	PE	52 High	52 Low	Change
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
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12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19
12.36	11.17	IBM	3.50	4.0	15.0	125	100	+1.19

WHICH WAY ARE THE
MARKETS MOVINGTHE EXPERTS DEBATE THE TRENDS AT THE GOLDER GRAND HOTEL
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GLOBAL EQUITIES

MAY 17

WESTERN EUROPE

Alan J. Albert, Senior Managing Director, Merrill Lynch Asset Management, London
Talat Shakerchi, European Portfolio Manager, Old Mutual Portfolio Managers Limited, U.K.
Wolfgang Seiler, Chief Investment Officer, Bank in Liechtenstein Frankfurt Group, and Managing Director, BIL Asset Management, Frankfurt

EASTERN AND EMERGING EUROPE

Rory Landman, Director, Institutional Group, Baring Asset Management Limited, London
Jim Mellon, Managing Director, Regent Pacific Group Limited, Hong Kong

EUROPE PANEL DISCUSSION

THE EMERGING MARKETS: AN ALTERNATIVE PERSPECTIVE
Marc Faber, Managing Director, Marc Faber Limited, Hong Kong

LUNCHEON ADDRESS

Brian M. Storms, Managing Director, Continental Europe, Fidelity Investments, Luxembourg

U.S.A.

Walter Downey, President, Fidelity International Investment Advisors (US) Inc., Boston
Mary Lisanti, Managing Director, Global Investment Management, Bankers Trust Company, New York
Donald F. Pichler, Jr., Senior Vice President, Investment, Massachusetts Financial Services, Boston

LATIN AMERICA

Peter Gruber, President, Global Management Corporation, California

AMERICAS PANEL DISCUSSION

JAPAN
Nicholas Knight, Head of Strategy and Deputy Managing Director, Nomura Research Institute Europe Ltd., London
Scott McGlashan, Director, Perpetual plc, U.K.

ASIA-PACIFIC EMERGING MARKETS

Terence F. Mahony, Chief Investment Officer, Emerging Markets, HSBC Asset Management, Hong Kong
Stephen M. Swift, Head of Global Equities, Credit Suisse Asset Management Limited, London

ASIA PANEL DISCUSSION

CONFERENCE SPONSORS

GLOBAL FIXED INCOME,
CURRENCIES & COMMODITIES

MAY 18

FIXED INCOME AND CURRENCY SESSION

Norbert Walter, Chief Economist, Deutsche Bank Group, Frankfurt
Howard Flight, Joint Managing Director, Guinness Flight Global Asset Management Limited, London
Frederick H. Horton, Managing Director, Trust Company of the West, Los Angeles
Andrew Skirrow, Managing Director and Head of Fixed Income, B.Z.W. Investment Management, London
Morgan Murphy, Head of Fixed Income Trading, Bank Julius Baer & Co. Ltd., Zurich
William D. Dawson III, Executive Vice President, Federal Investors, Pittsburgh

EMERGING MARKET FIXED INCOME SESSION

Gary Kreps, Chief Investment Officer, Global Fixed Income, G.T. Capital Management, Inc., San Francisco
Mark R. Franklin, Managing Director, Salomon Brothers International Limited, London

FIXED INCOME AND CURRENCY PANEL DISCUSSION

EMERGING MARKETS: NEW CHALLENGES AND OPPORTUNITIES
J. Mark Mobius, President, Templeton Emerging Markets Fund, Inc., Singapore

PHYSICAL ASSET (COMMODITY) SESSION

Sonja Kohn, President, Euroclear, New York
Rudolf C.C. Hendriks, Executive Director, Rodocan N.V., Rotterdam
John M. King, LME Broker and Hedging Advisor, Prudential-Bache (Futures) Limited, London

PHYSICAL ASSET PANEL DISCUSSION

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Luxembourg L.Fr.	14,000	41	4,200
Netherlands Fl.	770	40	230
Portugal Esc.	47,000	44	14,000
Spain Ptas.	48,000	41	14,500
hand deliv. Madrid Ptas.	55,000	38	14,500
Sweden (airmail) S.Kr.	3,100	34	900
hand delivery S.Kr.	3,500	26	1,000
Switzerland S.Fr.	510	48	185

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Singapore to Get STAR TV

Singapore CableVision said that subscribers would be able to view five STAR TV channels by June, including a sports channel, the Channel V music channel, and a news channel originating from the British Broadcasting Corp. Programs

Yen Can't Keep Japan Down

Electronics manufacturers such as Sony Corp. and Matsushita Electric Industrial

Bleak Outlook Sends Nikkei Below 16,000

Matsushita and Hitachi Ltd. have decided to freeze salaries for newly hired gradu-

Very briefly:

• **Salomon Brothers Inc.** entered a joint-venture agreement with **PT Bakrie Securities**, a member of the Bakrie Group of Indonesia, to set up a new financial advisory firm in Jakarta.

[illegible][illegible]

Schlumberger

NOTICE OF ANNUAL GENERAL MEETING OF STOCKHOLDERS

Notice is hereby given that the Annual General Meeting of Stockholders of **SCHLUMBERGER LIMITED** (Schlumberger N.V.) will be held at the International Trade Centre, Piscadero Bay, Curaçao, Netherlands Antilles, on Wednesday 12 April, 1995 at 10:30 o'clock in the morning (Curaçao time), for the following purpose:

1. To elect 11 directors.
2. To report on the course of business during the year ended December 31, 1994, to approve the Company's Consolidated Balance Sheet as at December 31, 1994, the Consolidated Statement of Income for the year ended December 31, 1994 and the declaration of dividends by the Board of Directors as reflected in the Company's 1994 Annual Report to Stockholders.
3. To approve the appointment of **Pricewaterhouse** as independent public accountants to audit the accounts of the Company for 1995.
4. To amend the Schlumberger 1989 Stock Incentive Plan and 1995 Stock Option Plan.

Action will also be taken upon such other matters as may come properly before the Meeting.

On 5 April, 1995 the holders of Certificates representing 5% or 100 more shares Schlumberger Limited may give written instructions to the depositary under deposit of their certificates. Such instructions may be given by or by surrender of a deposit advice of their banks.

If no voting instructions are given the undersigned will vote for the four matters.

Copies of the notice of this Annual Meeting of Stockholders and of the Annual Report 1994 are available with undersigned.

PARIBAS ADMINISTRATIEKANTOOR B.V.

Amsterdam, March 15, 1995
Smeetsdijk 172

to be held at Julian Bear Cayns Island on the 10th day of April, 1992 at 18 am.

Kirk Hesse, Grand Cayman, Caymans Islands on the 10th day of April, 1992 at 18 am.

AGENTIA

1. To receive and endorse and, if thought fit, adopt the accounts presented by the Directors for the year ended 31st December 1994 and the reports of the Directors and Auditors

2. To elect three or less than three Balcago as Director, following his appointment by the Directors to replace Clifford

3. To satisfy the duties of Directors.

To approve the appointments of Price Waterhouse, Auditors, and authorize the Director or the Board/Andlors communicate.

By order of the Board

LICUQUAAR Julian Bear U.S. Dollar Fund Limited, PO Box 1191 Grand Cayman, Cayman Islands.

A shareholder holding registered shares is entitled to attend, vote and appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the company.

A shareholder holding bearer shares is entitled to attend and vote. Exercise of these rights is restricted only by reason of being in receipt only in presentation at the Meeting of the share certificate or satisfactory evidence of the holding. Such evidence may be obtained by depositing the certificate in time of the

Agents listed below against written request, which must be produced at the Meeting:

Copies of the Annual Report including audited documents are available for inspection at the offices of the principal officers of the Company and from the Agents listed below.

There are no service contracts in existence between the Company and any of its directors and none are proposed.

Participating Shares listed on the London Stock Exchange, and particulars of the Company are available in the brief financial service.

22nd March, 1995

SECRETARY AND REGISTRAR:

Jules Baerbaum and Trusts Company Ltd.
Kirk Hesse, PO Box 1191
Grand Cayman, Cayman Islands.

AGENTS:

Bank Julius Raar & Co Ltd.
Hahnenstrasse 26, P.O. Box 8818
Zurich, Switzerland.

Bank Julius Raar & Co Ltd.
Bentley House, Bank Street,
London EC4A 3DF, U.K.

Strauss Kammer Inter-Prax AG
Sternstrasse, Boulevard du Theatre 2
P.O. Box 121 Geneva 11, Switzerland

L I Q U I D A T O R

JULIUS BAER & SONS FUND LIMITED - GRAND CAYMAN

(Company registered under the Companies Law and Securities Act)

World Bond	XEU	12.41
European Equities	XEU	14.16
Japanese Equities	JPY	6.77
Emerging Markets	USD	18.48
Arbitrage	USD	9.75
Hedge	USD	12.27

An attachment has been made against certain assets of the company in Luxembourg for a value of USD 1,500,000. The possible effect of this attachment has not been taken into account on computing the above mentioned Net Asset Values.

MeesPierson
Fund Administration
(Isle of Man) Limited
P.O. Box 156, 18-20 North Quay
Douglas, Isle of Man
Telephone: 44 (0) 624 688322
Telex: 626159 MEEPSIN G
Facsimile: 44 (0) 624 688334

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NASDAQ

Wednesday's 4 p.m.
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

[illegible][illegible][illegible]

12 Months	High	Low	Stock	Div	Yld	P/E	95	High	Low	Latest	Chg
163	15	12	12				137	137	137	137	
164	15	12	12				137	137	137	137	
165	15	12	12				137	137	137	137	
166	15	12	12				137	137	137	137	
167	15	12	12				137	137	137	137	
168	15	12	12				137	137	137	137	
169	15	12	12				137	137	137	137	
170	15	12	12				137	137	137	137	
171	15	12	12				137	137	137	137	
172	15	12	12				137	137	137	137	
173	15	12	12				137	137	137	137	
174	15	12	12				137	137	137	137	
175	15	12	12				137	137	137	137	
176	15	12	12				137	137	137	137	
177	15	12	12				137	137	137	137	
178	15	12	12				137	137	137	137	
179	15	12	12				137	137	137	137	
180	15	12	12				137	137	137	137	
181	15	12	12				137	137	137	137	
182	15	12	12				137	137	137	137	
183	15	12	12				137	137	137	137	
184	15	12	12				137	137	137	137	
185	15	12	12				137	137	137	137	
186	15	12	12				137	137	137	137	
187	15	12	12				137	137	137	137	
188	15	12	12				137	137	137	137	
189	15	12	12				137	137	137	137	
190	15	12	12				137	137	137	137	
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209	15	12	12				137	137	137	137	
210	15	12	12				137	137	137	137	
211	15	12	12				137	137	137	137	

L-M											
212	15	12	12				137	137	137	137	
213	15	12	12				137	137	137	137	
214	15	12	12				137	137	137	137	
215	15	12	12				137	137	137	137	
216	15	12	12				137	137	137	137	
217	15	12	12				137	137	137	137	
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252	15	12	12				137	137	137	137	
253	15	12	12				137	137	137	137	
254	15	12	12				137	137	137	137	
255	15	12	12				137	137	137	137	
256	15	12	12				137	137	137	137	
257	15	12	12				137	137	137	137	
258	15	12	12				137	137	137	137	
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262	15	12	12				137	137	137	137	
263	15	12	12				137	137	137	137	
264	15	12	12				137	137	137	137	
265	15	12	12				137	137	137	137	
266	15	12	12				137	137	137	137	
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268	15	12	12				137	137	137	137	
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270	15	12	12				137	137	137	137	
271	15	12	12				137	137	137	137	
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285	15	12	12				137	137	137	137	
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295	15	12	12				137	137	137	137	
296	15	12	12				137	137	137	137	
297	15	12	12				137	137	137	137	
298	15	12	12				137	137	137	137	
299	15	12	12				137	137	137	137	
300	15	12	12				137	137	137	137	
301	15	12	12				137	137	137	137	
302	15	12	12				137	137	137	137	
303	15	12	12				137	137	137	137	
304	15	12	12				137	137	137	137	
305	15	12	12				137	137	137	137	
306	15	12	12				137	137	137	137	
307	15	12	12				137	137	137	137	
308	15	12	12				137	137	137	137	
309	15	12	12				137	137	137	137	
310	15	12	12				137	137	137	137	
311	15	12	12				137	137	137	137	
312	15	12	12				137	137	137	137	
313	15	12	12				137	137	137	137	
314	15	12	12				137				

[illegible]

Month	High Low Stock	Div	Yld	PE	52 Wk High	52 Wk Low
Jan	12.00					
Feb	11.50					
Mar	11.00					
Apr	10.50					
May	10.00					
Jun	9.50					
Jul	9.00					
Aug	8.50					
Sep	8.00					
Oct	7.50					
Nov	7.00					
Dec	6.50					
Jan	6.00					
Feb	5.50					
Mar	5.00					
Apr	4.50					
May	4.00					
Jun	3.50					
Jul	3.00					
Aug	2.50					
Sep	2.00					
Oct	1.50					
Nov	1.00					
Dec	0.50					
Jan	0.00					
Feb	0.00					
Mar	0.00					
Apr	0.00					
May	0.00					
Jun	0.00					
Jul	0.00					
Aug	0.00					
Sep	0.00					
Oct	0.00					
Nov	0.00					
Dec	0.00					
Jan	0.00					
Feb	0.00					
Mar	0.00					
Apr	0.00					
May	0.00					
Jun	0.00					
Jul	0.00					
Aug	0.00					
Sep	0.00					
Oct	0.00					
Nov	0.00					
Dec	0.00					
Jan	0.00					
Feb	0.00					
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May	0.00					
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Herald INTERNATIONAL **Tribune**

 PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
THE WORLD'S DAILY NEWSPAPER

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March 22, 1895

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SPORTS

Storm Forces Delay In America's Cup

Ships Continue Search for Japanese And British Sailors in BOC Race

The Associated Press
SAN DIEGO — A Pacific storm that brought with it high winds and high waves has forced more postponements in the America's Cup semifinals.

The westerly winds ranged from 16 to 20 knots, with gusts up to 25 knots on Tuesday. The limit for racing the 75-foot America's Cup yachts is 20 knots. Swells of six feet from the west combined with wind-generated waves of three feet from the northwest.

The defenders' race between Young America and Mighty Mary that was to be sailed Tuesday will be rescheduled for Monday, the second reserve day of the series. On Wednesday, Young America and Stars & Stripes were scheduled to make up Sunday's race, which was abandoned due to lack of wind.

The challengers' two races were pushed back to Wednesday, with Team New Zealand taking on one Australia and NZL-39 facing Nippon.

Team New Zealand's only loss came in the protest room in the second round, when an international jury ruled that Russell Coutts's yacht had a man too far up the mast and overturned its victory over one Australia.

Another yacht has strag-

gled to the end of the third leg of the BOC Challenge, but ships in the seas around Cape Horn were continuing to search for two sailors who have not been heard from since early March.

Arnet Taylor Jr. of the United States arrived in Punta del Este, Uruguay, after a 10-day layover in the Falkland Islands to repair a cracked mast.

But Harry Mitchell of Britain, at 70 the oldest sailor in the round-the-world race, had not been heard from since his emergency beacon went off March 2. Three ships have searched the area, about 1,400 miles west of Cape Horn, but an sign of Mitchell has been found.

The Japanese sailor Minoru Saito has not been heard from since March 4, when he talked to a ship looking for Mitchell. Saito's electrical system was knocked out, but he said he was all right and heading to Punta del Este.

A race spokesman, Dan McConnell, said officials were worried about Mitchell, but not about Saito.

"Saito has been out of communications at other times, that's his style," McConnell said Tuesday. "He has EPIRBs" — emergency radio beacons — "on board, and if he had a problem he would notify us."



MEMORIAL — Japanese admirers of Ayrton Senna, the three-time Grand Prix champion killed last May, laying flowers on his grave in São Paulo. Tuesday would have been his 35th birthday; the 1995 season begins March 26 with the Brazilian Grand Prix.

The Tour de France Heads for Moscow

International Herald Tribune
PARIS — Next stop, Moscow. Confirming plans for a one-day bicycle race there this summer, the organizers of the Tour de France have now given the details.

The race is scheduled July 29 with a field of 80 riders, including up to 50 from the Tour, which ends July 23. The "Masters' Critérium" will start in Red Square near the Spassky Tower and cover 125 kilometers in a 3-kilometer circuit around the Kremlin.

Prominent in the field will be the dozen or so professionals from the former Soviet Union who ride for teams in western Europe. Among those riders are Eugeni Berzin, the young Russian who is expected to be a major challenger to Miguel Indurain in the Tour;

Piotr Ugrumov, the Latvian who finished second in 1994, and Djamilidze Abdoujaparov, the Uzbek who won the green points jersey last year.

The co-sponsor of the criterium — a race around a short circuit with frequent turns — is a Russian group called Velo 98+ that hopes to win the bicycling world championships for Moscow in 1998. Tour de France organizers are lending support because they are interested in starting their race in Moscow some year soon.

According to spokesmen for Velo 98+, between 150,000 and 200,000 spectators are expected for the criterium. Although bicycle racing is a popular sport in Russia, it is mostly at the amateur level.

Ma Confesses — Somewhat

Reuters
SHANGHAI — The Chinese coach Ma Junren, trying to restore his image in a concentrated media campaign, has admitted that he sometimes beat members of his elite running squad.

It fell apart last year when the world 10,000-meter champion and record holder Wang Junxia led a walkout amid allegations that Ma had stolen team winnings and abused his athletes in brutal training sessions.

In an interview with the Shanghai Liberation Daily, Ma said Wednesday that he had scolded and beaten his athletes.

"I must admit my management style was too simple sometimes," he was quoted as saying. "I would scold them or beat them when they were lazy or disobedient. But I only did it for their own good."

"If we are not prepared to suffer bitterness... how can China catch up with world levels in track and field?" he added. "How can we break world records? How can we win world championships?"

In the third of a three-part interview in Shanghai's Xinmin Evening Post published on Wednesday, Ma conceded that the "Ma Family Army" was unlikely to reform.

"To be honest, it would be better to start from scratch," he said.

He also claimed that Wang and the other rebels, among them world 1,500-meter champion Lin Dong, had walked away with team funds, including his food money, and that there was nothing left with which to rebuild the squad.

On Tuesday, Ma denied having taken any of his athletes' winnings and suggested that a wrangle over three Mercedes they had won could be resolved. Ma is holding on to two of the vehicles.

During the interviews, Ma has sought public sympathy by recounting his personal tragedies, including the death of his father, a car smash and bouts of appendicitis and stomach illnesses.

While admitting he pushed his athletes too far, Ma defended himself by saying he did it out of a sense of patriotic duty.

"I, Ma Junren, have many shortcomings... but I have high regard for the glory of my country," he said.

But he conceded, when he hurried Lin's luggage out of a fifth-floor hotel window in a fit of anger, that was "a mistake."

Soccer in Russia Gets \$9 Million Sponsorship Aid

Reuters
MOSCOW — Russian soccer officials signed a historic \$9 million three-year sponsorship deal Wednesday, but only after overcoming last-minute disputes that threatened to scupper the agreement.

The Danish chewing-gum manufacturer Sunmori will be the main sponsor in an agreement that could net this year's premier division champion about \$500,000.

A news conference to announce the agreement, the first of its kind in the former Soviet Union, was delayed for more than two hours as officials battled over the length of the contract and whether the clubs would retain some television rights.

Under the deal, one match a week will be televised live throughout Russia. The amount each club receives from the sponsors at the end of the season will depend on how many times its games are televised and on its final league position.

The money will come as a shot in the arm to Russian soccer, which is going through troubled times as the best players join foreign clubs and attendance dwindles alarmingly.

SIDELINES

Juventus Moving Cup Match to Milan

MILAN (Reuters) — Juventus, the leader in the Italian first division, will play the first leg of its UEFA Cup semifinal against Borussia Dortmund in Milan's San Siro stadium and not at its stadium in Turin, officials said Wednesday.

Juventus asked to switch the match to another venue in an attempt to draw larger crowds after its previous UEFA Cup ties at home this season attracted only modest attendance. It originally asked for the game to be played in Bologna, but Borussia reportedly rejected the proposal. Both clubs have now agreed to play in Milan on April 4.

Eleven policemen were injured in clashes with fans at an Irish Cup match between Cliftonville and Partadown the night before. Belfast police said Wednesday. Cliftonville is supported mainly by Catholics; Partadown has a mostly Protestant following. (AP)

For the Record

Marc Rosset, the Swiss tennis player who fractured his right ankle in a Davis Cup match Feb. 3, is to make his competitive comeback April 10 in Barcelona, where he won the Olympic singles title in 1992. (Reuters)

Reebok International Ltd. signed a four-year contract in Beijing to equip about 600 athletes and coaches of the Chinese Athletics Federation. (AFP)

Quotable

Gary Shelton in the St. Petersburg Times: "I can see it now: Kevin Mitchell as the Japanese Deion Sanders. Some of the time, he's a baseball player. Some of the time, he's a sumo wrestler."

Bobby Valentine, the first former major league manager to manage in Japan, on one of the cultural differences he faces with the Chiba Lotte Marines: "They don't chew anything. No gum. No seeds. They think it will distract them. I'm trying to tell them it will relax them."

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SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

Atlantic Division	W	L	Pct	GB
New York	42	22	.654	0
New Jersey	38	26	.594	4
Boston	35	29	.547	7
Philadelphia	31	33	.485	11
Washington	28	36	.438	14

Central Division	W	L	Pct	GB
Charlotte	41	23	.641	0
Indiana	38	26	.594	3
Cleveland	36	28	.563	5
Chicago	34	30	.531	7
Atlanta	33	31	.516	8
Orlando	28	36	.438	13

Pacific Division	W	L	Pct	GB
Seattle	40	24	.625	0
Portland	38	26	.594	2
San Antonio	35	29	.547	5
Phoenix	31	33	.485	11
Utah	28	36	.438	14

Western Conference	W	L	Pct	GB
Los Angeles	41	23	.641	0
San Jose	38	26	.594	3
Golden State	35	29	.547	6
Phoenix	31	33	.485	11
Memphis	28	36	.438	14

Midwest Division	W	L	Pct	GB
Chicago	40	24	.625	0
Indiana	38	26	.594	2
Cleveland	35	29	.547	5
Chicago	34	30	.531	6
Atlanta	33	31	.516	7

Pacific Division	W	L	Pct	GB
Seattle	40	24	.625	0
Portland	38	26	.594	2
San Antonio	35	29	.547	5
Phoenix	31	33	.485	11
Utah	28	36	.438	14

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ART BUCHWALD

Get Rid of Those Trees

WASHINGTON — Glenn Goldenborn, who heads up Bare Bones for America, a conservative think tank, has been busy at work finding ways to cut the budget that were overlooked by New Gingrich's "Contract With America."

He was elated when I saw him because his organization had just come up with something that even the cost-cutters in Washington had not thought of.

"We believe that we could save a bundle by cutting down the cherry trees around the Tidal Basin."



Buchwald

"Of course, you could," I told Glenn. "Why didn't the Republicans think of it before?"

"They were too busy cutting school lunches and Head Start. The cherry tree cuts completely slipped their minds. Frankly, I hadn't even thought of it until I drove by the Jefferson Memorial the other day and realized what a waste of taxpayers' money the blossoms were."

Hirshhorn Bequest To Go to the Corcoran

WASHINGTON — Olga Hirshhorn is bypassing the museum her husband founded and leaving her personal collection of more than 3,000 items to the Corcoran Gallery of Art. The bequest includes works by Georgia O'Keeffe, Man Ray, Josef Albers, Henry Moore, Willem de Kooning and Larry Rivers.

Joseph Hirshhorn, who died in 1981, founded the Hirshhorn Museum and Sculpture Garden in Washington, which opened in 1974. Mrs. Hirshhorn is a member of the board of the Corcoran School of Art.

"We have nothing personal against the trees," Glenn explained, "but if we have a choice between keeping them and a tax cut, we'll take the cut."

"The Japanese people gave us those cherry trees. Don't you think that they might be a little upset if we cut them down to save money?"

"I don't think so. Once we show them all the things that we have sacrificed in our lives to balance the budget they'll understand. The cherry trees have been a federal giveaway for a long time in this city, and it costs too much to maintain the trees when they bloom only for a few weeks."

"You're absolutely right. There is no reason to have flowers if you eliminate public television," I said. "They are both a drain on the taxpayer."

Glenn added, "Also how can we justify eliminating a nuclear submarine and still allow 1,000 flowers to bloom?"

"How much money do you expect to save?"

"Between \$30 billion and \$40 billion. We're not just discussing the trees around the Tidal Basin — we're also including those in the National Arboretum. Fair is fair."

"Do you plan to cut down the cherry trees as a line item or all at once?"

"This is an important environmental issue, and since it affects so many people, we believe that we should cut them down all at once — preferably at night."

"Does your think tank consider this an agonizing decision or not?"

"Every budget cut is agonizing, but we're not just hitting the poor. The rich will suffer just as much because they stop and smell the flowers, too."

The Maestro Who Invented the Mambo

By Mike Zwerin
International Herald Tribune

PARIS — "El Maestro Cubano Del Mambo," who has a hit record at the age of 76, explains his longevity: "Work. I stay busy. I don't smoke or drink, except for weak American coffee. I do not exercise. I do not jog. I do not even walk around the corner. I drive my car. The American way. My only exercise is music. At night I fall asleep in front of the television and I dream of music."

Born Israel Lopez in Havana in 1918, Cachao has played his "wooden wife," which is how he describes his contrabass, with Igor Stravinsky, Dizzy Gillespie, Pérez Prado, Paquito D'Rivera and the zarzuela singer Pepita Emili (the mother of Plácido Domingo). He invented the mambo in 1939 by heating and speeding up the danzon, a classic Cuban rhythm that also gave birth to the cha-cha-cha. One pope called the mambo "the devil's dance." Federico Fellini used Prado's mambo "Patricia" as a sort of ode accompanying Anita Ekberg in "La Dolce Vita." Cachao's new album "Master Sessions" (Epic) is on the Billboard magazine Latin chart.

Cachao has been making music since he was 8. His career as bandleader, composer, performer and scholar flourished in Cuba through the 1950s. When he emigrated in 1962 ("communism is not good for my music"), the Cuban star was introduced to the lower depths of American show business. He worked Las Vegas lounges, strolled between tables for tips at bar mitzvahs, weddings and birthdays and in restaurants. "I did not like that very much," he said, "but you must do whatever is necessary to be able to go on playing your own music." He languished in the anonymous land of the necessary until 1992, when the actor Andy Garcia pulled him out.

Garcia's father was known as "El Alcalde," the mayor, in the small town near Havana where he practiced law before moving to California, because, Cachao says, he was revered for helping the poor for small or no fees. Cachao wrote a piece of music called "El Alcalde" dedicated to him, and when Señor Garcia died, he conducted a Bach requiem in his memory.



Cachao, the Havana-born contrabass player: "I dream of music."

Cachao first met Andy Garcia in Los Angeles when the latter was 5. They met there again when Cachao was working with the rock star Santana and the actor was shooting a starring role in Francis Ford Coppola's "The Godfather, Part III."

"Maestro," Garcia said, "Your music makes me less homesick. It has changed my life. I would like to organize a tribute concert for you."

The tribute took place in Miami. It was produced by Garcia, whom Cachao calls "my protector," and the Latin music powerhouse brother and sister team Gloria and Emilio Estefan. The three of them also produced the "Master Sessions" album, which is, Cachao says, "an anthology of Cuban music."

He takes his role as a preserver of tradition seriously. There are, he says, 68 distinct Cuban rhythms, including, "and very few people know this, the tango. Yes, the tango is Cuban. It

comes from the habanera. The Argentinians do not like to hear this. And did you know that the danzon was played in Mozart's time?"

He was born in a national monument, a house José Martí, Cuba's poet laureate, once lived in. Short, stout, bow-legged and stiff-necked, Cachao carries himself like a personage and he resembles a contrabass both physically and in vocal texture. Accompanying silent movies in pits at the age of 10, he stood on a beer case in order to reach the strings. It was precarious, he looked up at the screen and went "pow pow" with his bow when cowboys and Indians shot each other. This way he learned the bowing technique for which he would later become famous.

At the age of 12, he joined the bass section of the Havana Philharmonic. He was still standing on cases. (Thirty-five members of Cachao's clan have played the double bass.) A few years later, working music halls and cabarets with his younger brother Orestes, a cellist, he gradually developed an

exciting new spin on the danzon. "We turned the danzon completely around," he said through an interpreter. He was in Paris promoting his new album. Despite living more than 30 years in the United States, he speaks almost no English. Asked about that, he shifted his weight and adjusted his dark glasses. "I speak music," he said. Translation: Silence. He elaborated: "Music is my mother tongue."

Embarrassment. Another dumb question: "What are you listening to these days?"

"I listen to all music." He coughed and sipped weak American coffee.

"Dizzy?" He had already said how happy he was that his new manager Charlie Fishman managed Dizzy Gillespie for years.

"Dizzy was my friend. He once told me, 'We are both married to music.'"

"How about Stravinsky?" The composer's name is mentioned in Cachao's curriculum vitae. And it has been said that Stravinsky's use of rhythm sometimes resembles the Afro-Cuban.

"Stravinsky was my friend. I played the 'Firebird' and 'Petroushka' with Stravinsky conducting in Cuba. He was a simple man, ugly like me..."

"No," the interpreter interrupted. "...but very nice. Noble. He was interested in Cuban rhythms. I took him to the clubs to hear Cuban bands and he tried to notate the rhythms on paper. They are complex, very difficult to transcribe." Cachao tapped a fast two-handed mambo beat on the table. Coffee cups bounced: "Chano Pozo [the percussionist] was a friend of mine. Charlie Parker was my friend. I played Ravel with Pierre Monteux and the Havana Filarmónica." He looked across the room. The musicians in his band were sitting at a table chatting merrily away. He removed his dark glasses and waved to them: "But for me to tell you about all my 69 years in music will be very difficult."

"How about this year?"

"I am very busy. I go where people want to hear my music. I will be playing in Bilbao, Madrid, Nice, Milan, Oakland."

"When?"

"The schedule does not interest me. It is not my concern. I go wherever Charlie Fishman sends me."

PEOPLE

Odds-makers' Choice

The Line on the Oscars

Tom Hanks can start making room on the shelf now. Jessica Lange holds an edge over Jodie Foster. And "Forrest Gump" looks like a solid favorite, but there's perceptible support for "The Shawshank Redemption." Billy's casino in Las Vegas has put out its Oscar odds line, and Britain's betting shops are taking money on major categories. Billy's line is published only for entertainment and publicity value, since Nevada does not permit wagering on nonsporting events. But in Britain betting on the Oscars is freely. Paul Austin, the odds-maker at Ladbrokes, offered some very attractive opening odds of 6 to 1 on John Travolta for best actor, in "Poetic Justice." Winners (actors and actresses) will be known Monday night.

Stephen Fry, the actor who caused an uproar when he left the London play "Cell Mates" and briefly disappeared, is being treated in a private London hospital. A spokesman for Cromwell Hospital did not say what he was being treated for nor did the actor's agent.

Nominees for the 1995 PEN/Faulkner Award for fiction are: Frederick Busch for "The Children in the Woods: New and Selected Stories"; David Gates for "Snow Falling on Cedars"; Ursula Hegl for "Stone River"; Joyce Carol Oates for "What I Lived For"; and James Scott for "Various Antidotes: Stories." The award will be given next month.

Richard Avedon met Princess Diana but was the only photographer present who didn't snap her picture. Instead he guided Diana around "Evidence 1944-1994," a retrospective of his portraiture that opens to the public Thursday at London's National Portrait Gallery.

WEATHER

Forecast for Friday through Sunday, as provided by Accu-Weather.

Europe	Today	Low	High	Low	High
CF	CF	CF	CF	CF	CF
Algeria	19/25	13/25	9	20/28	13/25
Andorra	19/25	13/25	9	20/28	13/25
Antigua	19/25	13/25	9	20/28	13/25
Austria	19/25	13/25	9	20/28	13/25
Bahamas	19/25	13/25	9	20/28	13/25
Bahrain	19/25	13/25	9	20/28	13/25
Bangladesh	19/25	13/25	9	20/28	13/25
Barbados	19/25	13/25	9	20/28	13/25
Belize	19/25	13/25	9	20/28	13/25
Bermuda	19/25	13/25	9	20/28	13/25
Bhutan	19/25	13/25	9	20/28	13/25
Bolivia	19/25	13/25	9	20/28	13/25
Bosnia	19/25	13/25	9	20/28	13/25
Botswana	19/25	13/25	9	20/28	13/25
Brazil	19/25	13/25	9	20/28	13/25
Bulgaria	19/25	13/25	9	20/28	13/25
Burkina Faso	19/25	13/25	9	20/28	13/25
Burundi	19/25	13/25	9	20/28	13/25
Cambodia	19/25	13/25	9	20/28	13/25
Cameroon	19/25	13/25	9	20/28	13/25
Canada	19/25	13/25	9	20/28	13/25
Cape Verde	19/25	13/25	9	20/28	13/25
Cayman Islands	19/25	13/25	9	20/28	13/25
Czech Republic	19/25	13/25	9	20/28	13/25
Dominican Republic	19/25	13/25	9	20/28	13/25
Dominica	19/25	13/25	9	20/28	13/25
DRC	19/25	13/25	9	20/28	13/25
Ecuador	19/25	13/25	9	20/28	13/25
Egypt	19/25	13/25	9	20/28	13/25
El Salvador	19/25	13/25	9	20/28	13/25
Equatorial Guinea	19/25	13/25	9	20/28	13/25
Eritrea	19/25	13/25	9	20/28	13/25
Estonia	19/25	13/25	9	20/28	13/25
Fiji	19/25	13/25	9	20/28	13/25
Finland	19/25	13/25	9	20/28	13/25
France	19/25	13/25	9	20/28	13/25
Gabon	19/25	13/25	9	20/28	13/25
Gambia	19/25	13/25	9	20/28	13/25
Germany	19/25	13/25	9	20/28	13/25
Ghana	19/25	13/25	9	20/28	13/25
Greece	19/25	13/25	9	20/28	13/25
Guatemala	19/25	13/25	9	20/28	13/25
Haiti	19/25	13/25	9	20/28	13/25
Honduras	19/25	13/25	9	20/28	13/25
Hungary	19/25	13/25	9	20/28	13/25
Iceland	19/25	13/25	9	20/28	13/25
India	19/25	13/25	9	20/28	13/25
Indonesia	19/25	13/25	9	20/28	13/25
Iran	19/25	13/25	9	20/28	13/25
Ireland	19/25	13/25	9	20/28	13/25
Israel	19/25	13/25	9	20/28	13/25
Italy	19/25	13/25	9	20/28	13/25
Jamaica	19/25	13/25	9	20/28	13/25
Japan	19/25	13/25	9	20/28	13/25
Jordan	19/25	13/25	9	20/28	13/25
Kazakhstan	19/25	13/25	9	20/28	13/25
Kenya	19/25	13/25	9	20/28	13/25
Korea	19/25	13/25	9	20/28	13/25
Kuwait	19/25	13/25	9	20/28	13/25
Laos	19/25	13/25	9	20/28	13/25
Latvia	19/25	13/25	9	20/28	13/25
Lebanon	19/25	13/25	9	20/28	13/25
Lesotho	19/25	13/25	9	20/28	13/25
Lithuania	19/25	13/25	9	20/28	13/25
Luxembourg	19/25	13/25	9	20/28	13/25
Madagascar	19/25	13/25	9	20/28	13/25
Malawi	19/25	13/25	9	20/28	13/25
Malaysia	19/25	13/25	9	20/28	13/25
Maldives	19/25	13/25	9	20/28	13/25
Mali	19/25	13/25	9	20/28	13/25
Malta	19/25	13/25	9	20/28	13/25
Mauritania	19/25	13/25	9	20/28	13/25
Mauritius	19/25	13/25	9	20/28	13/25
Mexico	19/25	13/25	9	20/28	13/25
Moldova	19/25	13/25	9	20/28	13/25
Mongolia	19/25	13/25	9	20/28	13/25
Montenegro	19/25	13/25	9	20/28	13/25
Morocco	19/25	13/25	9	20/28	13/25
Mozambique	19/25	13/25	9	20/28	13/25
Nicaragua	19/25	13/25	9	20/28	13/25
Niger	19/25	13/25	9	20/28	13/25
Nigeria	19/25	13/25	9	20/28	13/25
North Macedonia	19/25	13/25	9	20/28	13/25
Oman	19/25	13/25	9	20/28	13/25
Pakistan	19/25	13/25	9	20/28	13/25
Panama	19/25	13/25	9	20/28	13/25
Paraguay	19/25	13/25	9	20/28	13/25
Peru	19/25	13/25	9	20/28	13/25
Philippines	19/25	13/25	9	20/28	13/25
Poland	19/25	13/25	9	20/28	13/25
Portugal	19/25	13/25	9	20/28	13/25
Romania	19/25	13/25	9	20/28	13/25
Russia	19/25	13/25	9	20/28	13/25
Saudi Arabia	19/25	13/25	9	20/28	13/25
Senegal	19/25	13/25	9	20/28	13/25
Serbia	19/25	13/25	9	20/28	13/25
Seychelles	19/25	13/25	9	20/28	13/25
Slovak Republic	19/25	13/25	9	20/28	13/25
Slovenia	19/25	13/25	9	20/28	13/25
South Africa	19/25	13/25	9	20/28	13/25
South Korea	19/25	13/25	9	20/28	13/25
Spain	19/25	13/25	9	20/28	13/25
Sri Lanka	19/25	13/25	9	20/28	13/25
Sweden	19/25	13/25	9	20/28	13/25
Switzerland	19/25	13/25	9	20/28	13/25
Taiwan	19/25	13/25	9	20/28	13/25
Tanzania	19/25	13/25	9	20/28	13/25
Togo	19/25	13/25	9	20/28	13/25
Tonga	19/25	13/25	9	20/28	13/25
Turkey	19/25	13/25	9	20/28	13/25
Uganda	19/25	13/25	9	20/28	13/25
Ukraine	19/25	13/25	9	20/28	13/25
United Kingdom	19/25	13/25	9	20/28	13/25
USA	19/25	13/25	9	20/28	13/25
Venezuela	19/25	13/25	9	20/28	13/25
Yemen	19/25	13/25	9	20/28	13/25
Zambia	19/25	13/25	9	20/28	13/25
Zimbabwe	19/25	13/25	9	20/28	13/25



North America

The western coast will return to a more settled weather pattern, but as a storm moves east, snow will be deposited on the Rockies, and rain and thunderstorms will drench the Plains. Chicago and the eastern coast will have dry weather and slightly below normal temperatures.

North America	Today	Low	High	Low	High
CF	CF	CF	CF	CF	CF
Alaska	19/25	13/25	9	20/28	13/25
Canada	19/25	13/25	9	20/28	13/25
USA	19/25	13/25	9	20/28	13/25

Asia						
	Today H CF	Low W	High CF	Today H CF	Low W	High CF
Bangkok	30/37	27/30	30	35/37	27/30	30
Batavia	26/23	23/26	26	29/28	23/26	26
Beijing	27/23	23/26	26	29/28	23/26	26
Hong Kong	33/31	29/31	31	33/31	29/31	31
Manila	32/29	29/31	31	33/31	29/31	31
New Delhi	32/31	29/31	31	33/31	29/31	31
Osaka	14/27	7/44	44	11/32	-1/31	31
Shanghai	19/27	18/25	25	18/21	14/24	24
Singapore	26/23	23/26	26	29/28	23/26	26
Taipei	24/25	17/23	23	24/27	17/22	22
Total	19/26	18/25	25	17/23	14/24	24
<hr/>						
Latin America						
Buenos Aires	26/17	17/22	22	25/17	16/24	24
Caracas	29/22	18/25	25	29/24	17/22	22
Chicago	27/23	23/26	26	29/28	23/26	26
Mexico City	28/21	19/24	24	28/22	19/25	25
San Francisco	27/23	23/26	26	29/28	23/26	26
Santiago	27/23	23/26	26	29/24	16/31	31
<hr/>						
North America						
Atlanta	-8/12	-22/19	19	-4/16	-18/25	25
Atlanta	30/24	13/25	25	24/17	12/23	23
Boston	11/24	13/21	21	11/25	25/25	25
Chicago	27/23	23/26	26	29/28	23/26	26
Dallas	27/21	23/27	27	22/23	22/23	23
Denver	27/23	23/26	26	29/28	23/26	26
Detroit	22/20	17/21	21	28/22	17/21	21
Los Angeles	27/23	23/26	26	29/28	23/26	26
Houston	30/28	18/23	23	29/22	18/26	26
Los Angeles	27/23	23/26	26	29/28	23/26	26
Los Angeles	30/28	16/17	17	29/24	17/21	21
Memphis	12/23	4/23	23	12/23	1/24	24
Minneapolis	27/23	23/26	26	29/28	23/26	26
Newark	27/23	23/26	26	29/22	17/21	21
New York	27/23	23/26	26	29/28	23/26	26
Phoenix	23/23	9/48	48	20/38	9/46	46
San Francisco	13/25	9/48	48	14/27	7/44	44
Seattle	19/24	12/25	25	18/24	1/24	24
Toronto	4/46	-4/29	29	11/22	0/22	22
Washington	18/24	4/23	23	17/22	4/28	28